						ST	ATF O	F UTAH					FO	RM 3	
						EPARTMENT DIVISION O	OF NA	ATURAL RES				AME	NDED REPO	ORT 🗾	
		APP	LICATION F	OR	PERMI	T TO DRILL					1. WELL NAME and		R 22-2K1CS		
2. TYPE (RILL NEW WELL ((REENTE	R P&	A WELL (DEEDE	N WELL				3. FIELD OR WILDO		L BUTTES		
4. TYPE C					,		NV VVEEL				5. UNIT or COMMU	NITIZA		EEMENT	NAME
6. NAME	OF OPERATOR	2				ine Well: NO					7. OPERATOR PHO	NE			
8. ADDRE	SS OF OPERA	TOR	RR-MCGEE OI								9. OPERATOR E-MA	\IL	29-6515		
	RAL LEASE NO	UMBER	P.O. Box 17377	9, De		NERAL OWNE					12. SURFACE OWN			_	
	ST	UT ML 22651 OWNER (if box :	12 - 'fae'\		FEDERA	AL DIND	IAN () STATE ((E) F		FEDERAL INI	DIAN (STATE	-	FEE ()
		ACE OWNER (if b									16. SURFACE OWN		`		
15. ADDR	LESS OF SURF	ACE OWNER (II D	0x 12 = 1ee	,	40 TNT	TEND TO COM	MING	E DDODUCT	TON FR	014	19. SLANT	EK E-1417	AIL (II DO)	12 – 1	
	AN ALLOTTEE 2 = 'INDIAN')	OR TRIBE NAME				TEND TO COM PLE FORMATI (Submit C	ONS	gling Applicat		OM (RECTION	IAL 📵	HORIZON	ITAL 🛑
20. LOC	ATION OF WE	LL	T	FO	OTAGES	:	QT	r-QTR	SE	CTION	TOWNSHIP	R	ANGE	МЕ	RIDIAN
LOCATIO	ON AT SURFAC	CE	21	07 FS	SL 752 F	FWL	N	IWSW		2	10.0 S	2	2.0 E		S
Top of U	ppermost Pro	ducing Zone	223	35 FS	L 2141	FWL	ı	NESW		2	10.0 S	2	2.0 E		S
At Total	Depth		223	35 FS	L 2141	FWL	1	NESW		2	10.0 S	2	2.0 E		S
21. COUN	ITY	UINTAH			22. DIS	STANCE TO N		T LEASE LIN 046	E (Feet	:)	23. NUMBER OF AC		DRILLING 20	UNIT	
						STANCE TO Ned For Drilling	or Co		AME PO	OOL	26. PROPOSED DEF	PTH : 8831	TVD: 860	06	
27. ELEV	ATION - GROU	JND LEVEL 5052			28. BO	ND NUMBER	2201	13542			29. SOURCE OF DR WATER RIGHTS AP	PROVA		IF APP	LICABLE
					Но	le, Casing,	and C	ement Inf	ormati	ion					
String	Hole Size	Casing Size 8.625	Length 0 - 2190		ight 8.0	Grade & Th		Max Mu			Cement		Sacks 180	Yield	Weight 15.8
SURF	11	0.025	0 - 2190		6.0	J-33 LT	XC	0.,		-	Type V Class G		270	1.15	15.8
PROD	7.875	4.5	0 - 8831	1:	1.6	I-80 LT8	šС	12.	.5	Prem	nium Lite High Stre	ngth	280	3.38	11.0
											50/50 Poz		1220	1.31	14.3
						Α٦	ГТАСН	IMENTS							
	VERIFY T	HE FOLLOWIN	G ARE ATT	ACHI	ED IN A	ACCORDAN	CE W	TH THE U	TAH O	IL AND G	GAS CONSERVATI	ON GE	NERAL F	RULES	
✓ w	ELL PLAT OR	MAP PREPARED E	BY LICENSED	SUR	VEYOR (OR ENGINEER	₹	№ сом	IPLETE	DRILLING	PLAN				
AF	FIDAVIT OF S	TATUS OF SURFA	CE OWNER A	GREI	EMENT ((IF FEE SURF	ACE)	FOR	И 5. IF (OPERATO	R IS OTHER THAN T	HE LEAS	SE OWNER	t	
DRILLED		URVEY PLAN (IF	DIRECTIONA	LLY (OR HOR	IZONTALLY		№ торо	OGRAPH	IICAL MAI	•				
NAME A	ndy Lytle			Т	ITLE Re	gulatory Analy	/st			PHONE	720 929-6100				
SIGNAT	URE			D	DATE 08/	/01/2011				EMAIL a	ndrew.lytle@anadarko	o.com			
	iber assign 04751776(A	APPROV	AL				Ben	OGGAN nit Manager				

NBU 1022-2L Pad Drilling Program
1 of 7

Kerr-McGee Oil & Gas Onshore. L.P.

NBU 1022-2K1CS

 Surface:
 2107 FSL / 752 FWL
 NWSW

 BHL:
 2235 FSL / 2141 FWL
 NESW

Section 2 T10S R22E

Uintah County, Utah Mineral Lease: ST UT ML 22651

ONSHORE ORDER NO. 1

DRILLING PROGRAM

Estimated Tops of Important Geologic Markers: Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

<u>Formation</u>	<u>Depth</u>	<u>Resource</u>
Uinta	0 - Surface	
Green River	1100	
Birds Nest	1368	Water
Mahogany	1739	Water
Wasatch	4175	Gas
Mesaverde	6454	Gas
MVU2	7387	Gas
MVL1	7994	Gas
TVD	8606	Gas
TD	8831	Gas

3. <u>Pressure Control Equipment</u> (Schematic Attached)

Please refer to the attached Drilling Program

4. **Proposed Casing & Cementing Program:**

Please refer to the attached Drilling Program

5. <u>Drilling Fluids Program:</u>

Please refer to the attached Drilling Program

6. <u>Evaluation Program</u>:

Please refer to the attached Drilling Program

NBU 1022-2L Pad Drilling Program 2 of 7

7. <u>Abnormal Conditions</u>:

Maximum anticipated bottom hole pressure calculated at 8606° TVD, approximately equals 5,508 psi 0.64 psi/ft = actual bottomhole gradient

Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD

Maximum anticipated surface pressure equals approximately 3,602 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot, per Onshore Order No. 2).

Per Onshore Order No. 2 - Max Anticipated Surf. Press.(MASP) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point))

8. <u>Anticipated Starting Dates:</u>

Drilling is planned to commence immediately upon approval of this application.

9. <u>Variances:</u>

Please refer to the attached Drilling Program. Onshore Order #2 – Air Drilling Variance

Kerr-McGee Oil & Gas Onshore LP (KMG) respectfully requests a variance to several requirements associated with air drilling outlined in Onshore Order 2

- · Blowout Prevention Equipment (BOPE) requirements;
- · Mud program requirements; and
- Special drilling operation (surface equipment placement) requirements associated with air drilling.

This Standard Operating Practices addendum provides supporting information as to why KMG current air drilling practices for constructing the surface casing hole should be granted a variance to Onshore Order 2 air drilling requirements.

The reader should note that the air rig is used only to construct a stable surface casing hole through a historically difficult lost circulation zone. A conventional rotary rig follows the air rig, and is used to drill and construct the majority of the wellbore.

More notable, KMG has used the air rig layout and procedures outlined below to drill the surface casing hole in approximately 675 wells without incident of blow out or loss of life.

Background

In a typical well, KMG utilizes an air rig for drilling the surface casing hole, an interval from the surface to surface casing depths, which varies in depth from 1,700 to 2,800 feet. The air rig drilling operation does not drill through productive or over pressured formations in KMG field, but does penetrate the Uinta and Green River Formations. The purpose of the air drilling operation is to overcome the severe loss circulation zone in the Green River known as the Bird's Nest while creating a stable hole for the surface casing. The surface casing hole is generally drilled to approximately 500 feet below the Bird's Nest.

NBU 1022-2L Pad Drilling Program
3 of 7

Before the surface air rig is mobilized, a rathole rig is utilized to set and cement conductor pipe through a competent surface formation. Generally, the conductor is set at 40 feet. In some cases, conductor may be set deeper in areas that the surface formation is not found competent. This rig also drills the rat and mouse holes in preparation for the surface casing and production string drilling operations.

The air rig is then mobilized to drill the surface casing hole by drilling a 11 inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 11 inch tri-cone bit. The tri-cone bit is used to drill to the surface casing point, approximately 500 feet below the loss circulation zone (Bird's Nest). The 8-5/8 inch surface casing is then run and cemented in place, thereby isolating the lost circulation zone.

KMG fully appreciates Onshore Order 2 well control and safety requirements associated with a typical air drilling operations. However, the requirements of Onshore Order 2 are excessive with respect to the air rig layout and drilling operation procedures that are currently in practice to drill and control the surface casing hole in KMG Fields.

Variance for BOPE Requirements

The air rig operation utilizes a properly lubricated and maintained air bowl diverter system which diverts the drilling returns to a six-inch blooie line. The air bowl is the only piece of BOPE equipment which is installed during drilling operations and is sufficient to contain the air returns associated with this drilling operation. As was discussed earlier, the drilling of the surface hole does not encounter any over pressured or productive zones, and as a result standard BOPE equipment should not be required. In addition, standard drilling practices do not support the use of BOPE on 40 feet of conductor pipe.

Variance for Mud Material Requirements

Onshore Order 2 also states that sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring adequate well control. Once again, the surface hole drilling operations does not encounter over pressured or productive intervals, and as a result there is not a need to control pressure in the surface hole with a mud system. Instead of mud, the air rigs utilize water from the reserve pit for well control, if necessary. A skid pump which is located near the reserve pit (see attachment) will supply the water to the well bore.

Variance for Special Drilling Operation (surface equipment placement) Requirements

Onshore Order 2 requires specific safety distances or setbacks for the placement of associated standard air drilling equipment, wellbore, and reserve pits. The air rigs used to drill the surface holes are not typical of an air rig used to drill a producing hole in other parts of the US. These are smaller in nature and designed to fit a KMG location. The typical air rig layout for drilling surface hole in the field is attached.

Typically the blooie line discharge point is required to be 100 feet from the well bore. In the case of a KMG well, the reserve pit is only 45 feet from the rig and is used for the drill cuttings. The blooie line, which transports the drill cuttings from the well to the reserve pit, subsequently discharges only 45 feet from the well bore.

Typically the air rig compressors are required to be located in the opposite direction from the blooie line and a minimum of 100 feet from the well bore. At the KMG locations, the air rig compressors are approximately 40 feet from the well bore and approximately 60 feet from the blooie line discharge due to the unique air rig design. The air compressors (see attachment) are located on the rig (1250 cfm) and

NBU 1022-2L Pad Drilling Program
4 of 7

on a standby trailer (1170 cfm). A booster sits between the two compressors and boosts the output from 350 psi to 2000 psi. The design does put the booster and standby compressor opposite from the blooie line.

Lastly, Onshore Order 2 addresses the need for an automatic igniter or continuous pilot light on the blooie line. The air rig does not utilize an igniter as the surface hole drilling operation does not encounter productive formations.

Conclusion

The air rig operating procedures and the attached air rig layout have effectively maintained well control while drilling the surface holes in KMG Fields. KMG respectfully requests a variance from Onshore Order 2 with respect to air drilling well control requirements as discussed above.

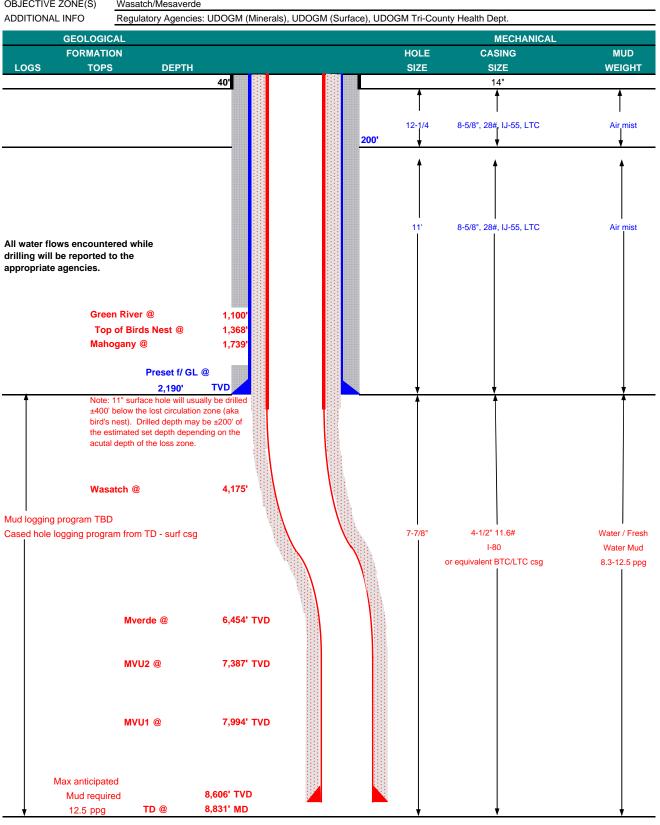
10. Other Information:

Please refer to the attached Drilling Program.



KERR-McGEE OIL & GAS ONSHORE LP <u>DRILLING PROGRAM</u>

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE July 26, 2011 NBU 1022-2K1CS WELL NAME 8,606' TVD 8,831' MD TD FINISHED ELEVATION **FIELD** Natural Buttes COUNTY Uintah STATE Utah 5,049' SURFACE LOCATION NWSW 2107 FSL 752 FWL Sec 2 T 10S R 22E -109.413316 Latitude: 39.976525 Longitude: NAD 27 BTM HOLE LOCATION NESW 2235 FSL 2141 FWL Sec 2 T 10S R 22E Latitude: 39.976871 -109.408361 NAD 27 Longitude: OBJECTIVE ZONE(S) Wasatch/Mesaverde





KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM	<u>1</u>								DESIGN I	ACTORS	
										LTC	BTC
	SIZE	INT	ERVAL		WT.	GR.	CPLG.	BURST	COLLA	PSE	TENSION
CONDUCTOR	14"	(0-40'								
								3,390	1,880	348,000	N/A
SURFACE	8-5/8"	0	to	2,190	28.00	IJ-55	LTC	2.47	1.83	6.48	N/A
								7,780	6,350	279,000	367,000
PRODUCTION	4-1/2"	0	to	8,831	11.60	I-80	LTC/BTC	1.11	1.14	3.37	4.43

Surface Casing:

(Burst Assumptions: TD = 12.5 ppg) 0.73 psi/ft = frac gradient @ surface shoe

Fracture at surface shoe with 0.1 psi/ft gas gradient above

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

Production casing:

(Burst Assumptions: Pressure test with 8.4ppg @ 7000 psi) 0.64 psi/ft = bottomhole gradient

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

CEMENT PROGRAM

	FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGH1	Г	YIELD
SURFACE LEAD	500'	Premium cmt + 2% CaCl	180	60%	15.80		1.15
Option 1		+ 0.25 pps flocele					
TOP OUT CMT (6 jobs)	1,200'	20 gals sodium silicate + Premium cmt	270	0%	15.80		1.15
		+ 2% CaCl + 0.25 pps flocele					
SURFACE		NOTE: If well will circulate water to	o surface,	option 2 wil	l be utilized		
Option 2 LEAD	1,690'	65/35 Poz + 6% Gel + 10 pps gilsonite	160	35%	11.00		3.82
		+ 0.25 pps Flocele + 3% salt BWOW					
TAIL	500'	Premium cmt + 2% CaCl	150	35%	15.80		1.15
		+ 0.25 pps flocele					
TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.80		1.15
PRODUCTION LEAD	3,671'	Premium Lite II +0.25 pps	280	20%	11.00		3.38
		celloflake + 5 pps gilsonite + 10% gel					
		+ 0.5% extender					
TAIL	5,160'	50/50 Poz/G + 10% salt + 2% gel	1,220	35%	14.30		1.31
		+ 0.1% R-3					

 $^{{}^{\}star}$ Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe
PRODUCTION	Float shoe, 1 jt, float collar. No centralizers will be used.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

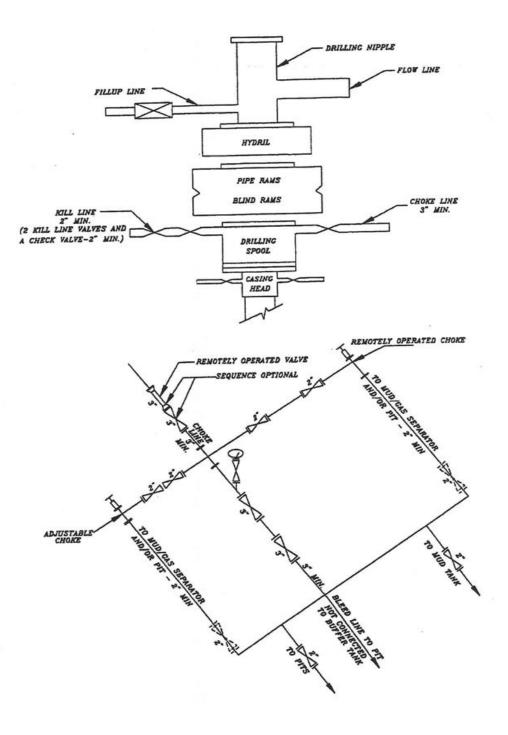
BOPE: 11" 5M with one annular and 2 rams. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and lower kelly valves.

Surveys will be taken at 1,000' minimum intervals.
Most rigs have PVT System for mud monitoring. If no PVT is available, visual monitoring will be utilized.

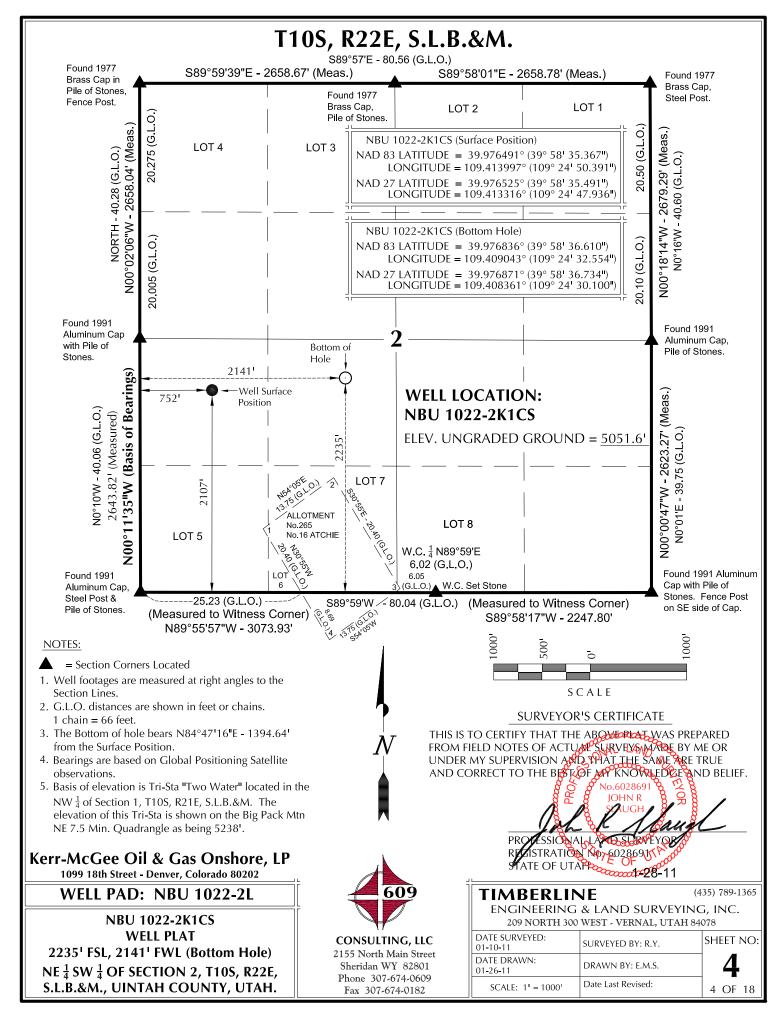
DRILLING ENGINEER:		DATE:	
	Nick Spence / Danny Showers		
DRILLING SUPERINTENDENT:		DATE:	
	Kenny Gathings / Lovel Young		

^{*}Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

EXHIBIT A
NBU 1022-2K1CS



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK



WELL NAME			SURFACE PO								В	ОТТОМ НОLE			
NBU 1022-2L4BS NBU	N. LATITUDE	AD83 LONGIT	UDE LATITU	NAD27	GITUDE	FOOT	TAGES	LATIT	NAD		GITUDE	NAI LATITUDE		NGITUDE	FOOTAGES
NBU	39°58'35.07				4'47.910"						4'49.487"	39°58'31.827"		24'47.033"	1736' FSL
1022-2L4BS	39.976409°	109.41399	90° 39.97644	3° 109.41	3308°	754'	FWL	39.975	473°	109.47	13747°	39.975508°	109.4	413065°	821' FWL
NBU 1022-2L1CS	39°58'35.169 39.976436°	9" 109°24'50 109.41399			4'47.920" 3311°	2087 753		39°58'3 39.976			4'49.499" 13750°	39°58'35.098" 39.976416°		24'47.045" 113068°	2067' FSL 821' FWL
NBU	39°58'35.26				3311 1'47.928"			39°58'3			4'32.555"	39°58'33.464"		24'30.101"	1904' FSL
1022-2K4BS	39.976463°	109.41399			3313°	7521	FWL	39.975			09043°	39.975962°		108361°	2140' FWL
NBU 1022-2K1CS NBU	39°58'35.36' 39.976491° 39°58'35.46	109.41399	97° 39.97652		3316°	7521	FWL	39°58'3 39.976	836°	109.40	4'32.554" 09043°	39°58'36.734" 39.976871°	109.4	24'30.100" 408361°	2235' FSL 2141' FWL
1022-2L1BS	39-58-35.463 39.976518°	5" 109°24'50 109.41400)0° 39.97655	3° 109.41		751 ¹		39°58'3 39.977			4'49.499" 13750°	39°58'38.368" 39.977324°		24'47.044" 413068°	2398' FSL 822' FWL
NBU 1022-2E4CS	39°58'35.56 39.976546°	4" 109°24'50 109.41400		.688" 109°24 80° 109.41		2127 750'		39°58'4 39.978			4'49.508" 13752°	39°58'41.764" 39.978268°		24'47.053" 113070°	2561' FNL 822' FWL
NBU 217-2	39°58'34.78			.913" 109.41				33.370	233	103.4	13/32	33.37 0200	1109.4	+130/0	OZZ TVVL
	39.976330°	109.41394				766'									
			11	TIVE COORE											
WELL NAME NBU	NORTH	EAST	WELL NAME NBU	NORTH	EAS		WELL NBU	NAME	NORT		EAST	NBU WELL NAM	4E	NORTH	EAST
1022-2L4BS	-340.8'	68.5'	1022-2L1CS	-19.8'	68.2	<i>7</i> II	1022-2	?K4BS	-194.	.31	1,388.3	1022-2K1C	s	126.7'	1,388.91
WELL NAME	NORTH	EAST	WELL NAME	NORTH	EAS										•
NBU 1022-2L1BS	281.31	70.0'	NBU 1022-2E4CS	615.0'	69.8	3'				4					
		22,	N00°11'35 " W.			AZ AZ	AZ=06.47639° N06°28'35"F (19)	(To Bottom Hole)	(To Bottom Hole)	.981110					
,09		ALE	-09	al NIDLI 4	0 22 21	EACS		N13°50	(To Bot AZ=13		AZ=	=84.78778°) A 64'		
,09	S C	A L E	68.20639° 80.				T.	N13°50	(To Bot) AZ=13		\84°47	'16"E - 139 [,]	4.64		_
,09	S C Az. to Ex Az. to Ex	A L E kist. W.H.=1 kist. W.H.=1	68.20639° 80. 167.07944° 70.	.21 NBU 1	022-2	L1BS	5 & —	10, 10,	(To Bot) AZ=13		\84°47	=84.78778° '16"E - 139. Bottom Hol	4.64		-
,09	Az. to Ex Az. to Ex Az. to Ex	A L E kist. W.H.=1 kist. W.H.=1 kist. W.H.=1	68.20639° 80. 167.07944° 70. 165.63111° 60	.2' NBU 1 .4' NBU 1	022-2 022-2	L1BS K1CS	5 6 –	10, 10, 10,	(To Bot) AZ=13		\84°47	'16"E - 139 Bottom Hol	4.64 le)	7.0.	_
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,09	Az. to Ex Az. to Ex Az. to Ex Az. to Ex Az. to Ex	ist. W.H.=1 kist. W.H.=1 kist. W.H.=1 kist. W.H.=1 kist. W.H.=1	68.20639° 80. 167.07944° 70. 165.63111° 60 63.55833° 50. 160.41556° 40	.2' NBU 1 .4' NBU 1 .6' NBU 1).9' NBU	022-2 022-2 022-2 1022-2	L1BS K1CS K4BS 2L1CS	5	10, 10, 10, 10,	(To Bot) 		\84°47	116"E - 1399 Bottom Hol A. S82°0	4.64 le) Z=97 1'52"	⁷ .96889 "E - 1403	10-
,09	Az. to Ex Az. to Ex Az. to Ex Az. to Ex Az. to Ex	ist. W.H.=1 kist. W.H.=1 kist. W.H.=1 kist. W.H.=1 kist. W.H.=1	68.20639° 80. 167.07944° 70. 165.63111° 60 63.55833° 50. 160.41556° 40	.2' NBU 1 .4' NBU 1 .6' NBU 1).9' NBU	022-2 022-2 022-2 1022-2	L1BS K1CS K4BS 2L1CS	5	10, 10, 10, 10,	(To Bot) 		N84°47' (To I	116"E - 139 Bottom Hol S82°0 Om of	4.64 le) Z=97 1'52"	7.0.	10-
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,09	Az. to Ex Az. to Ex Az. to Ex Az. to Ex Az. to Ex	ist. W.H.=1 kist. W.H.=1 kist. W.H.=1 kist. W.H.=1 kist. W.H.=1	68.20639° 80. 167.07944° 70. 165.63111° 60 63.55833° 50. 160.41556° 40 155.60417° 31	.2' NBU 1 .4' NBU 1 .6' NBU 1).9' NBU I.4' NBU	1022-2 022-2 1022-2 1022-2 1022-2	L1BS K1CS K4BS 2L1CS 2L4BS		10, 10, 10, 10,	(To Bot) AZ=13		N84°47 (To I	116"E - 139 Bottom Hol S82°0 (To om of 206.19389° tom Hole)	Z=97 1'52" Botto	⁷ .96889 "E - 1403	10-
,09	Az. to Ex Az. to Ex Az. to Ex Az. to Ex Az. to Ex	ist. W.H.=1 kist. W.H.=1 kist. W.H.=1 kist. W.H.=1 kist. W.H.=1	68.20639° 80. 167.07944° 70. 165.63111° 60 63.55833° 50. 160.41556° 40 155.60417° 31	.2' NBU 1 .4' NBU 1 .6' NBU 1).9' NBU I.4' NBU	1022-2 022-2 1022-2 1022-2 1022-2	L1BS K1CS K4BS 2L1CS 2L4BS		10, 10, 10, 10,			N84°47' (To I) Botto Hole AZ=10 (To Bott 73°48'2	116"E - 139 Bottom Hol S82°0 (To om of 206.19389° tom Hole) 22"E - 70.97	Z=97 1'52" Botto	⁷ .96889 "E - 1403	1 0 -
Kerr-Mc	Az. to Ex Az. to Ex Az. to Ex Az. to Ex Az. to Ex Az. to Ex	ist. W.H.=1 kist. W.H.=1 kist. W.H.=1 kist. W.H.=1 kist. W.H.=1 kist. W.H.=	68.20639° 80. 167.07944° 70. 165.63111° 60 63.55833° 50. 160.41556° 40 155.60417° 31 EXIS	.2' NBU 1 .4' NBU 1 6' NBU 1 0.9' NBU 1.4' NBU	1022-2 022-2 1022-2 1022-2 1022-2	L1BS K1CS K4BS 2L1CS 2L4BS		10' 10' 10' 10'	AZ=—(To	(S =168 Botto	N84°47' (To I) Botto Hole AZ=10 (To Bott 73°48'2 3.63333 om Hole	116"E - 139 Bottom Hol S82°0 (To om of 206.19389° tom Hole) 22"E - 70.97	Z=97 1'52" Botto	⁷ .96889 "E - 1403	1 0 -
Kerr-Mc(Az. to Ex Az. to Ex Az. to Ex Az. to Ex Az. to Ex Az. to Ex Az. to Ex	ist. W.H.=1 kist. W.H.=1 kist. W.H.=1 kist. W.H.= kist. W.H.= kist. W.H.= kist. W.H.=	68.20639° 80. 167.07944° 70. 165.63111° 60 63.55833° 50. 160.41556° 40 155.60417° 31 EXIS Dnshore, I	.2' NBU 1 .4' NBU 1 6' NBU 1 0.9' NBU 1.4' NBU	1022-2 022-2 1022-2 1022-2 1022-2	L1BS K1CS EK4BS 2L1CS 2L4BS	17-2	10' 10' 10' 10'	AZ=—(To S11°2	(S) =168 Botto	N84°47' (To I)	116"E - 139 Bottom Hol S82°0 (To om of 206.19389° tom Hole) 22"E - 70.97	Z=97 1'52" Botto	7.96889 "E - 1407 Om Hole	1.86 ¹
Kerr-Mc(Az. to Ex Az. to Ex Az. to Ex Az. to Ex Az. to Ex Az. to Ex	ist. W.H.=1 kist. W.H.=1 kist. W.H.=1 kist. W.H.= kist. W.H.= kist. W.H.= kist. W.H.=	68.20639° 80. 167.07944° 70. 165.63111° 60 63.55833° 50. 160.41556° 40 155.60417° 31 EXIS Dnshore, I	.2' NBU 1 .4' NBU 1 6' NBU 1 0.9' NBU 1.4' NBU	1022-2 022-2 1022-2 1022-2 1022-2	L1BS K1CS EK4BS 2L1CS 2L4BS		10' 10' 10' 10'	AZ= —(To \$11°2	(S) =168 Botto	N84°47' (To F) Botto Hole AZ=10 (To Bott 73°48'2 3.63333 om Hole 0"E - 347	716"E - 139 Bottom Hol S82°0 (To om of e) 06.19389° tom Hole) 22"E - 70.97 e) 7.66'	4.64 e Z=97 1'52" Botto	7.96889 "E - 1407 om Hole	1.86 (e) 35) 789-1365
Kerr-Mc0 1099 1: WEI	Az. to Ex Az. to Ex Az. to Ex Az. to Ex Az. to Ex Az. to Ex Az. to Ex	ist. W.H.=1 kist. W.H.=1 kist. W.H.=1 kist. W.H.=1 kist. W.H.= kist. W.H.= kist. W.H.= kist. W.H.=	68.20639° 80. 167.07944° 70. 165.63111° 60 63.55833° 50. 160.41556° 40. 155.60417° 31 EXIS Dnshore, I	.2' NBU 1 .4' NBU 1 6' NBU 1 0.9' NBU 1.4' NBU	1022-2 022-2 1022-2 1022-2 1022-2	L1BS K1CS EK4BS 2L1CS 2L4BS	17-2	10' 10' 10' 10'	AZ= —(To \$11°2	(S) =168 Botto 22'00	Botto Hole AZ=10 (To Bott 73°48'2 3.63333 om Hole "E - 347 BERLI NEERIN	716"E - 139 Bottom Hole S82°0 (To om of com of com Hole) 22"E - 70.97 e) 7.66'	4.64 e Z=97 1'52" Botto	7.96889 "E - 1407 om Hole	1.86 (e) (35) 789-1365 G, INC.
Kerr-Mc(1099 1 WEL WELL	Az. to Ex Az. to	ist. W.H.=1 kist. W.H.=1 kist. W.H.=1 kist. W.H.= kist	68.20639° 80. 167.07944° 70. 165.63111° 60 63.55833° 50. 160.41556° 40. 155.60417° 31 EXIS Dnshore, I	.2' NBU 1 .4' NBU 1 .6' NBU 1 .9' NBU 1 .4' NBU TING WI	022-2 022-2 022-2 1022-2 1022-2	L1BS K1CS EK4BS 2L1CS 2L4BS	17-2	10' 10' 10' 10' 10' 10' 10' 10' 10' 10'	AZ= (To \$11°2	(S =168 Botto 22'00 [ME:NGII 209	Hade 47 (To Feed to Fe	T16"E - 139 Bottom Hol A. S82°0 (To om of 206.19389° tom Hole) 22"E - 70.97 e) 7.66' INE IG & LAND 300 WEST - VER	1.64 Z=97 1.52 Botto	7.96889 "E - 140; Om Hole (43 VEYING UTAH 840	1.86 (e) (a) 35) 789-1365 (a) INC. (b) 788
Kerr-Mc(1099 1: WELL WELLS - N NBU 1	Az. to Ex Az. to	A L E dist. W.H.=1 dist. W.H.=1 dist. W.H.=1 dist. W.H.= dist. W.H.= dist. W.H.= Denver, Colo NBU 1 ERFEREN L4BS, NBU 6, NBU 102	68.20639° 80. 167.07944° 70. 165.63111° 60 63.55833° 50. 160.41556° 40. 155.60417° 31 EXIS Dnshore, I rado 80202 022-2L ICE PLAT J 1022-2L1CS 22-2K1CS,	.2' NBU 1 .4' NBU 1 .6' NBU 1 .9' NBU 1 .4' NBU TING WI	022-2 022-2 1022-2 1022-2 1022-2	L1BS K1CS EK4BS 2L1CS 2L4BS BU 2	17-2 NG, LLC	.01 .01 .01 .01 .01 .01 .01 .01 .01 .01	AZ= (To S11°2	(S =168 Bottc 22'00 ME ENGII 209 E SURVID-11	N84°47' (To I) Botto Hole AZ=10 (To Bott 73°48'2 3.63333 om Hole)"E - 342 BERLI NEERIN NORTH 3 EYED:	716"E - 139 Bottom Hole S82°0 (To om of com of com Hole) 22"E - 70.97 e) 7.66'	1.64 Z=97 1.52 Botto	7.96889 "E - 140; Om Hole (43 VEYING UTAH 840	1.86 (e) (35) 789-1365 G, INC.
Kerr-McC 1099 1: WELL WELLS - N NBU 1 NBU 1	Az. to Ex Az. to	& Gas (NBU 10 ERFEREN L4BS, NBU 102 & NBU 102	68.20639° 80. 167.07944° 70. 165.63111° 60 63.55833° 50. 160.41556° 40 155.60417° 31 EXIS Dnshore, I rado 80202 022-2L ICE PLAT J 1022-2L1CS 22-2K1CS, 022-2E4CS	.2' NBU 1 .4' NBU 1 .6' NBU 1 .9' NBU 1 .4' NBU TING WI	CONSI 2155 No	L1BS K1CS EK4BS 2L1CS 2L4BS BU 2	17-2 NG, LLC	01.01.01.01 01 00 C eet	AZ= —(To S11°2 TI E DATE 01-10 DATE	S=168 Botto 22'00 ME 209 E SURVI	N84°47' (To I) Botto Hole AZ=10 (To Bott 73°48'2 3.63333 om Hole)"E - 342 BERLI NEERIN NORTH 3 EYED:	T16"E - 139 Bottom Hol A. S82°0 (To om of 206.19389° tom Hole) 22"E - 70.97 e) 7.66' INE IG & LAND 300 WEST - VER	4.64 Z=97 1'52" Botto 7' SUR' RNAL, BY: R.Y.	7.96889 "E - 1407 Om Hole (43 VEYING UTAH 840	1.86 (e) (a) 35) 789-1365 (a) INC. (b) 788
WELL WELLS - N NBU 1 NBU 1 LOCAT	Az. to Ex Az. to	& Gas (NBU 10 ERFEREN L4BS, NBU 102 & NBU 107 L4BS, NBU 1	68.20639° 80. 167.07944° 70. 165.63111° 60 63.55833° 50. 160.41556° 40 155.60417° 31 EXIS Dnshore, I rado 80202 022-2L ICE PLAT J 1022-2L1CS 22-2K1CS, 1022-2E4CS 105, R22E,	.2' NBU 1 .4' NBU 1 .6' NBU 1 .9' NBU 1 .4' NBU TING WI	CONSI 2155 No. Sherid.	L1BS K1CS EK4BS 2L1CS 2L4BS BU 2	17-2 17-2 17-2 17-2 17-4-060	C ceet 1 99	AZ= (To S11°2 TI E DATE 01-10 DATE 01-26	(S =168 Botto 22'00 [ME:NGII 209 E SURVI 2-11 E DRAW 5-11	N84°47' (To I) Botto Hole AZ=10 (To Bott 73°48'2 3.63333 om Hole N"E - 342 BERLI NEERIN NORTH 3 EYED:	116"E - 139" Bottom Hol S82°0 (To To Manage of the control of t	2=97 1'52" Botto	7.96889 "E - 1407 Om Hole (43 VEYING UTAH 840	1.86 ¹ e) 335) 789-1365 G, INC.

ENGINEERING & LAND SURVEYING, INC.

209 NORTH 300 WEST - VERNAL, UTAH 84078

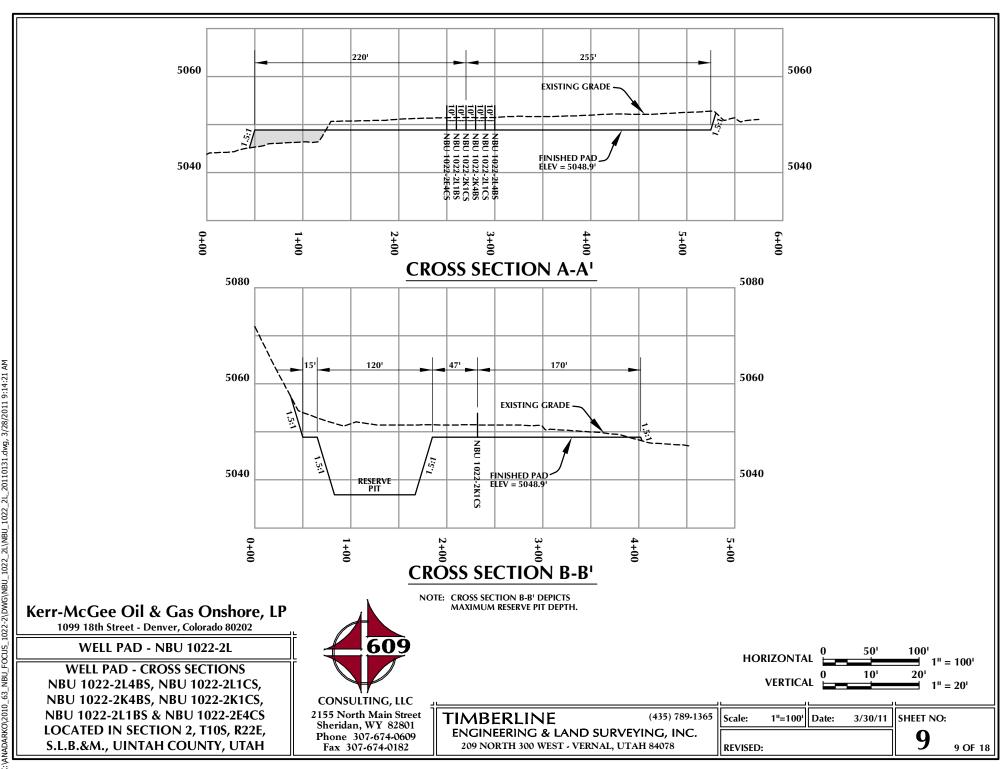
Phone 307-674-0609 Fax 307-674-0182

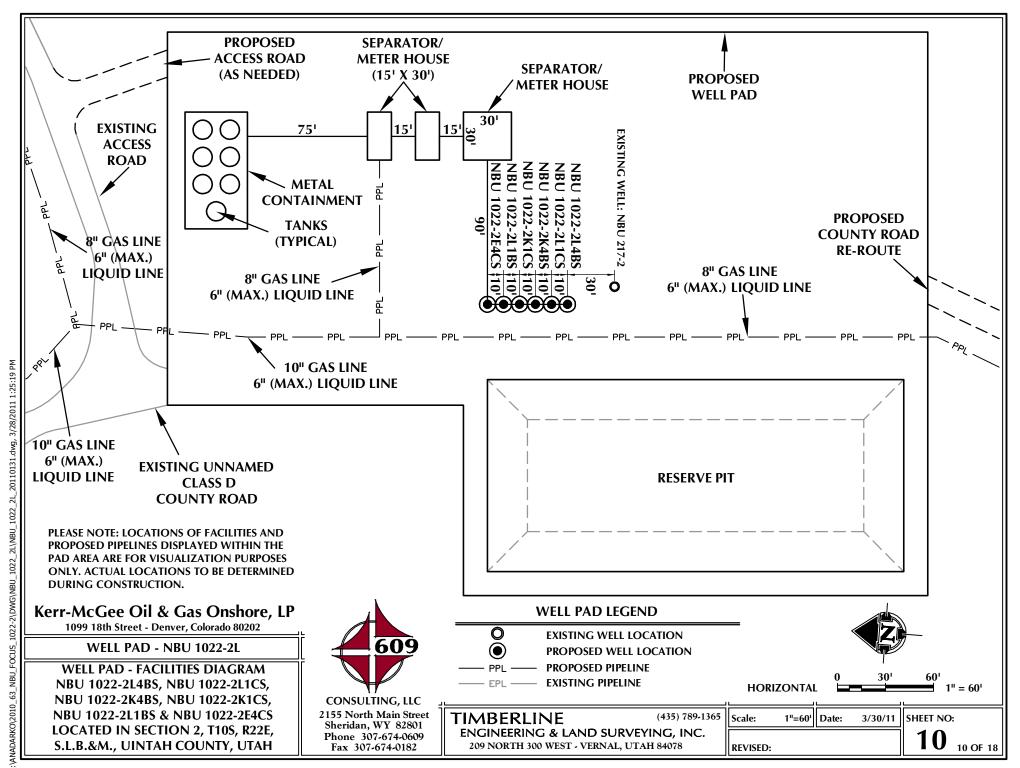
S.L.B.&M., UINTAH COUNTY, UTAH

REVISED:

8

8 OF 18





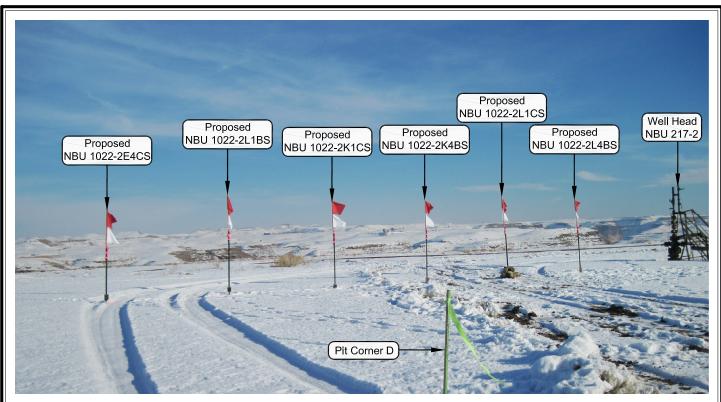


PHOTO VIEW: FROM PIT CORNER D TO LOCATION STAKE





PHOTO VIEW: FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: SOUTHEASTERLY

Kerr-McGee Oil & Gas Onshore, LP 1099 18th Street - Denver, Colorado 80202

WELL PAD - NBU 1022-2L

LOCATION PHOTOS NBU 1022-2L4BS, NBU 1022-2L1CS, NBU 1022-2K4BS, NBU 1022-2K1CS, NBU 1022-2L1BS & NBU 1022-2E4CS LOCATED IN SECTION 2, T10S, R22E, S.L.B.&M., UINTAH COUNTY, UTAH.



CONSULTING, LLC 2155 North Main Street Sheridan WY 82801 Phone 307-674-0609 Fax 307-674-0182

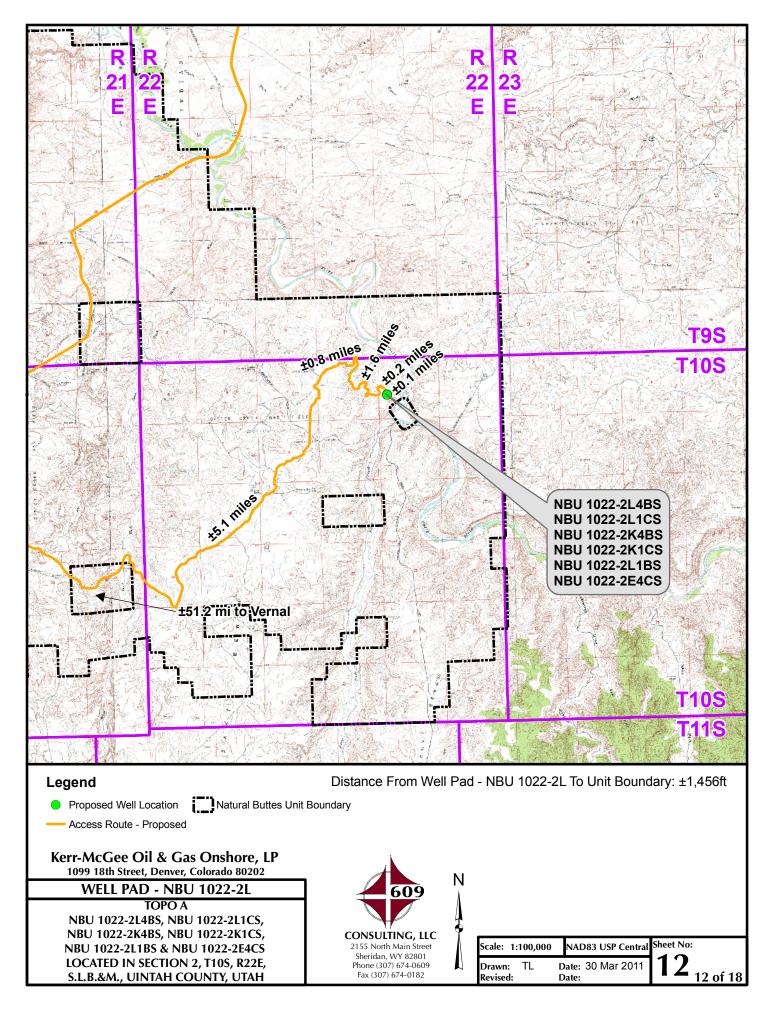
TIMBERLINE

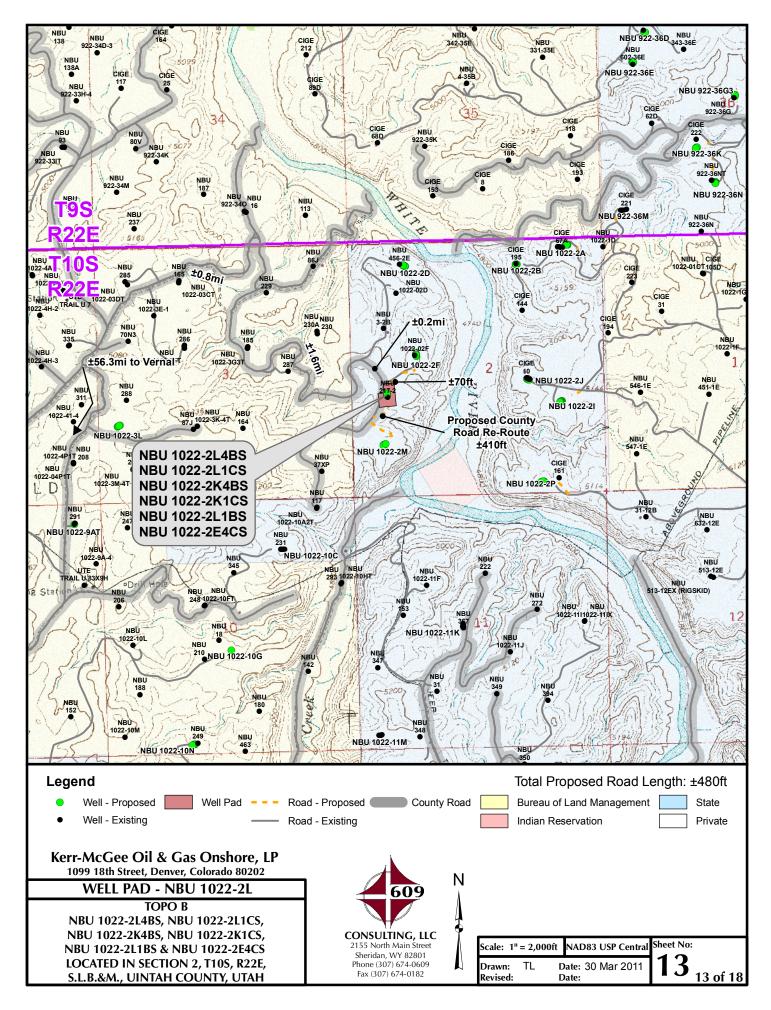
(435) 789-1365

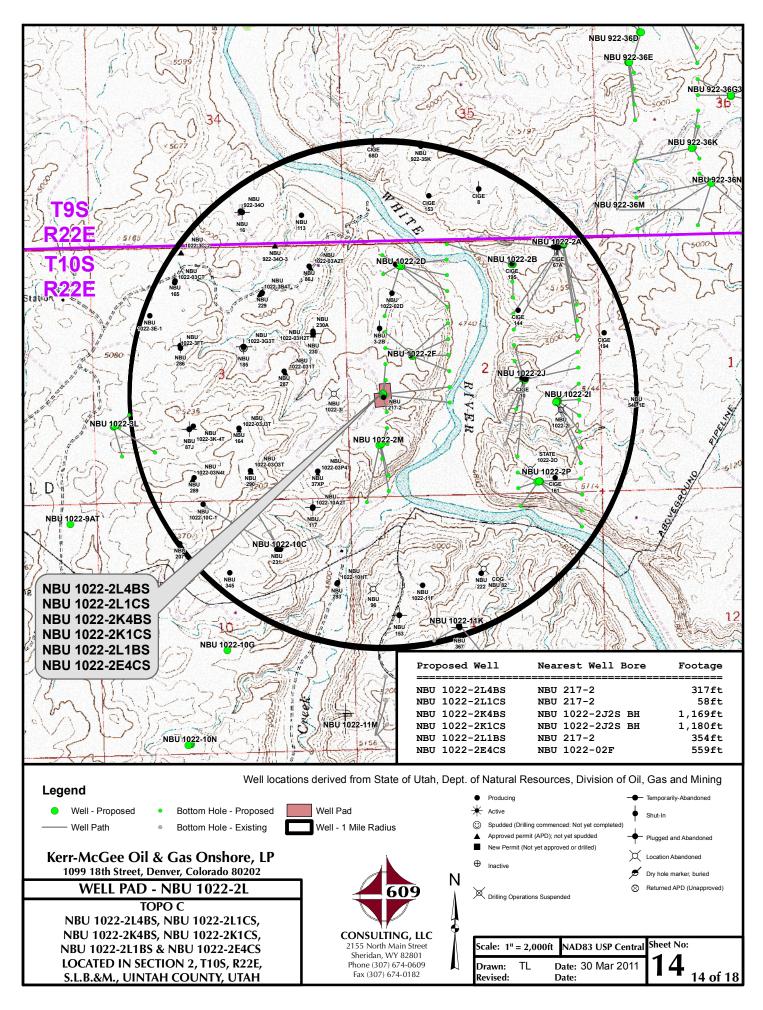
11 OF 18

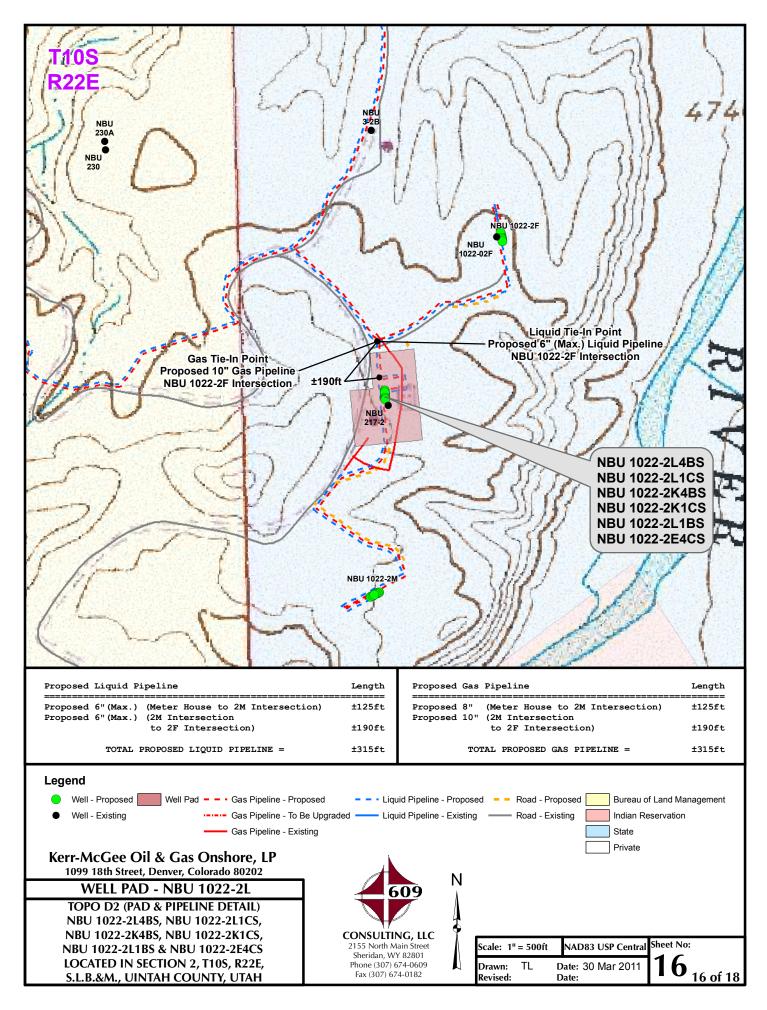
ENGINEERING & LAND SURVEYING, INC. 209 NORTH 300 WEST - VERNAL, UTAH 84078

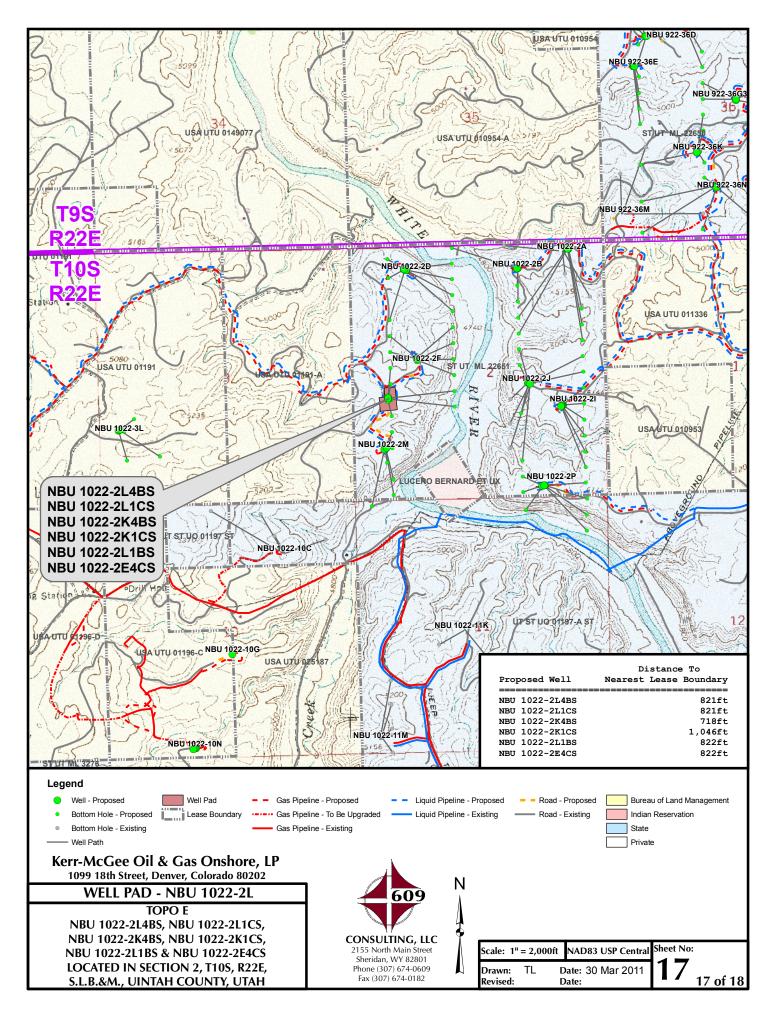
ı	DATE PHOTOS TAKEN: 01-27-11	PHOTOS TAKEN BY: R.Y.	SHEET NO:
ı	DATE DRAWN: 01-26-11	DRAWN BY: E.M.S.	11
l	Date Last Revised:		11 OF 18











Kerr-McGee Oil & Gas Onshore, LP WELL PAD - NBU 1022-2L WELLS – NBU 1022-2L4BS, NBU 1022-2L1CS, NBU 1022-2K4BS, NBU 1022-2K1CS, NBU 1022-2L1BS & NBU 1022-2E4CS Section 2, T10S, R22E, S.L.B.&M.

From the intersection of U.S. Highway 40 and 500 East Street in Vernal, Utah, proceed in an easterly, then southerly direction along U.S. Highway 40 approximately 3.3 miles to the junction of State Highway 45. Exit right and proceed in a southerly direction along State Highway 45 approximately 20.2 miles to the junction of the Glen Bench Road (County B Road 3260). Exit right and proceed in a southwesterly direction along the Glen Bench Road approximately 23.8 miles to the intersection of the Bitter Creek Road (County B Road 4120). Exit left and proceed in a southeasterly direction along the Bitter Creek Road approximately 3.9 miles to a Class D County Road to the northeast. Exit left and proceed in a northeasterly direction along the Class D County Road approximately 5.1 miles to a second Class D County Road to the northeast. Exit right and proceed in a northeasterly direction along the second Class D County Road approximately 0.8 miles to a third Class D County Road to the South. Exit right and proceed in a southerly, then easterly direction along the third Class D County Road approximately 1.6 miles to a fourth Class D County Road to the southeast. Exit right and proceed in a southeasterly direction along the Class D County Road approximately 0.2 miles to the proposed access road. Follow road flags in a southeasterly direction approximately 70 feet to the proposed well location.

Total distance from Vernal, Utah to the proposed well location is approximately 58.9 miles in a southerly direction.

SHEET 18 OF 18

API Well Number: 430475177600@oject: Uintah County, UT UTM12 Scientific Drilling Rocky Mountain Operations

Site: NBU 1022-2L PAD

Well: NBU 1022-2K1CS

Wellbore: OH

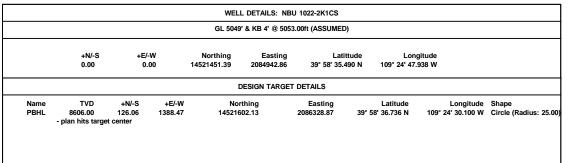
Design: PLAN #1 PRELIMINARY

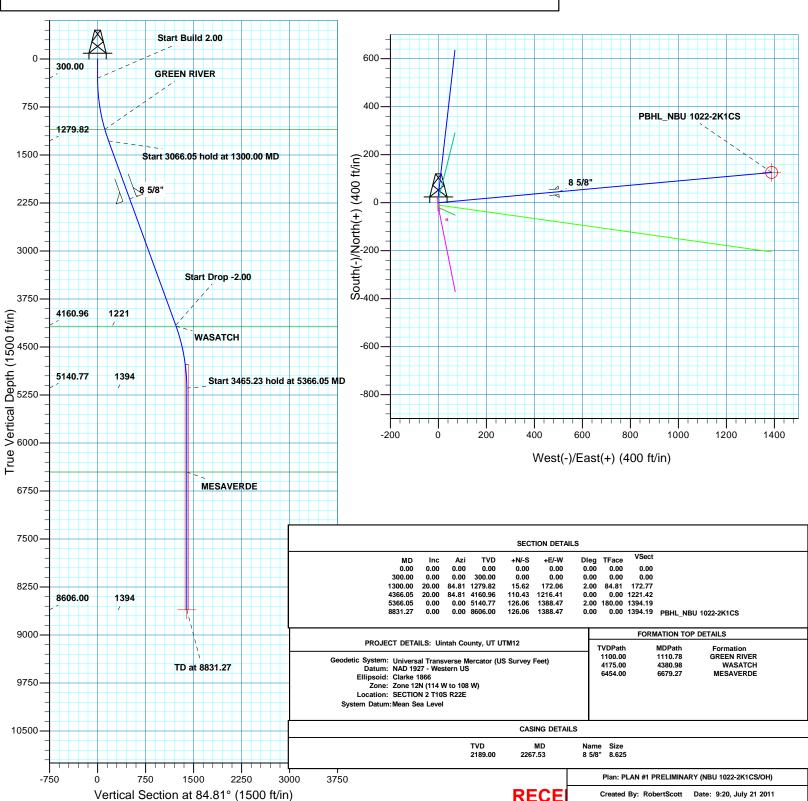




Azimuths to True North Magnetic North: 11.02°

Magnetic Field Strength: 52318.2snT Dip Angle: 65.86° Date: 07/20/2011 Model: IGRF2010







Kerr McGee Oil and Gas Onshore LP

Uintah County, UT UTM12 NBU 1022-2L PAD NBU 1022-2K1CS

ОН

Plan: PLAN #1 PRELIMINARY

Standard Planning Report

21 July, 2011



RECEIVED: August 01, 2011



SDI Planning Report



EDM5000-RobertS-Local Database:

Company: Kerr McGee Oil and Gas Onshore LP

Project: Uintah County, UT UTM12 NBU 1022-2L PAD Site: Well: NBU 1022-2K1CS

Wellbore: ОН

PLAN #1 PRELIMINARY Design:

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference:

Survey Calculation Method:

Well NBU 1022-2K1CS

GL 5049' & KB 4' @ 5053.00ft (ASSUMED) GL 5049' & KB 4' @ 5053.00ft (ASSUMED)

True

Minimum Curvature

Project Uintah County, UT UTM12

Map System: Universal Transverse Mercator (US Survey Feet)

NAD 1927 - Western US

Geo Datum: Zone 12N (114 W to 108 W) Map Zone:

Mean Sea Level

NBU 1022-2L PAD, SECTION 2 T10S R22E Site

Northing: 14,521,471.40 usft Site Position: Latitude: 39° 58' 35.688 N From: Lat/Long Easting: 2,084,941.38 usft Longitude: 109° 24' 47.952 W **Position Uncertainty:** 0.00 ft Slot Radius: **Grid Convergence:**

System Datum:

13.200 in 1.02

Well NBU 1022-2K1CS, 2107 FSL 752 FWL

Well Position +N/-S -20.03 ft 14,521,451.40 usft Latitude: 39° 58' 35.490 N Northing: +E/-W 1.12 ft Easting: 2,084,942.86 usft Longitude: 109° 24' 47.938 W

Position Uncertainty 0.00 ft Wellhead Elevation: **Ground Level:** 5,049.00 ft

Wellbore ОН Magnetics **Model Name** Sample Date Declination Dip Angle Field Strength (nT) (°) (°) IGRF2010 07/20/11 11.02 65.86 52,318

PLAN #1 PRELIMINARY Design **Audit Notes:** Version: Phase: PLAN Tie On Depth: 0.00 **Vertical Section:** Depth From (TVD) +N/-S +E/-W Direction (ft) (ft) (ft) (°) 0.00 0.00 0.00 84.81

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,300.00	20.00	84.81	1,279.82	15.62	172.06	2.00	2.00	0.00	84.81	
4,366.05	20.00	84.81	4,160.96	110.43	1,216.41	0.00	0.00	0.00	0.00	
5,366.05	0.00	0.00	5,140.77	126.06	1,388.47	2.00	-2.00	0.00	180.00	
8,831.27	0.00	0.00	8,606.00	126.06	1,388.47	0.00	0.00	0.00	0.00 F	BHL_NBU 1022-2K



SDI **Planning Report**



EDM5000-RobertS-Local Database:

Kerr McGee Oil and Gas Onshore LP

Company: Project: Uintah County, UT UTM12 NBU 1022-2L PAD Site:

Well: NBU 1022-2K1CS

Wellbore: ОН

Design: PLAN #1 PRELIMINARY Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well NBU 1022-2K1CS

GL 5049' & KB 4' @ 5053.00ft (ASSUMED) GL 5049' & KB 4' @ 5053.00ft (ASSUMED)

True

Minimum Curvature

orgin.										
anned Su	ırvey									
	easured Depth (ft)	Inclination	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
	0.00 100.00 200.00 300.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 100.00 200.00 300.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00
C			0.00	000.00	0.00	0.00	0.00	0.00	0.00	0.00
3	tart Build 2. 400.00	2.00	84.81	399.98	0.16	1.74	1.75	2.00	2.00	0.00
	500.00 600.00 700.00 800.00 900.00	4.00 6.00 8.00 10.00 12.00	84.81 84.81 84.81 84.81	499.84 599.45 698.70 797.47 895.62	0.63 1.42 2.52 3.94 5.66	6.95 15.63 27.77 43.34 62.35	6.98 15.69 27.88 43.52 62.60	2.00 2.00 2.00 2.00 2.00	2.00 2.00 2.00 2.00 2.00	0.00 0.00 0.00 0.00 0.00
	1,000.00 1,100.00 1,110.78	14.00 16.00 16.22	84.81 84.81 84.81	993.06 1,089.64 1,100.00	7.69 10.03 10.30	84.75 110.52 113.50	85.10 110.98 113.97	2.00 2.00 2.00	2.00 2.00 2.00	0.00 0.00 0.00
G	1,200.00	18.00	84.81	1,185.27	12.68	139.64	140.21	2.00	2.00	0.00
	1,300.00	20.00	84.81	1,279.82	15.62	172.06	172.77	2.00	2.00	0.00
S	1,400.00 1,500.00 1,600.00 1,700.00 1,800.00	20.00 20.00 20.00 20.00 20.00 20.00 20.00	84.81 84.81 84.81 84.81 84.81	1,373.78 1,467.75 1,561.72 1,655.69 1,749.66	18.71 21.81 24.90 27.99 31.08	206.12 240.18 274.25 308.31 342.37	206.97 241.17 275.37 309.58 343.78	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
	1,900.00 2,000.00 2,100.00	20.00 20.00 20.00 20.00	84.81 84.81 84.81	1,843.63 1,937.60 2,031.57	34.18 37.27 40.36	376.43 410.49 444.56	377.98 412.18 446.38	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00
	2,200.00 2,267.53	20.00 20.00	84.81 84.81	2,125.54 2,189.00	43.45 45.54	478.62 501.62	480.59 503.68	0.00 0.00	0.00 0.00	0.00 0.00
8	5/8"									
	2,300.00 2,400.00 2,500.00 2,600.00 2,700.00	20.00 20.00 20.00 20.00 20.00	84.81 84.81 84.81 84.81	2,219.51 2,313.48 2,407.45 2,501.42 2,595.39	46.54 49.64 52.73 55.82 58.91	512.68 546.74 580.80 614.87 648.93	514.79 548.99 583.19 617.39 651.60	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
	2,800.00 2,900.00 3,000.00 3,100.00 3,200.00	20.00 20.00 20.00 20.00 20.00	84.81 84.81 84.81 84.81	2,689.35 2,783.32 2,877.29 2,971.26 3,065.23	62.01 65.10 68.19 71.28 74.38	682.99 717.05 751.11 785.17 819.24	685.80 720.00 754.20 788.40 822.61	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
	3,300.00 3,400.00 3,500.00 3,600.00 3,700.00	20.00 20.00 20.00 20.00 20.00	84.81 84.81 84.81 84.81	3,159.20 3,253.17 3,347.14 3,441.11 3,535.08	77.47 80.56 83.65 86.75 89.84	853.30 887.36 921.42 955.48 989.55	856.81 891.01 925.21 959.41 993.62	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
	3,800.00 3,900.00 4,000.00 4,100.00 4,200.00	20.00 20.00 20.00 20.00 20.00	84.81 84.81 84.81 84.81	3,629.05 3,723.02 3,816.99 3,910.95 4,004.92	92.93 96.02 99.12 102.21 105.30	1,023.61 1,057.67 1,091.73 1,125.79 1,159.86	1,027.82 1,062.02 1,096.22 1,130.42 1,164.63	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
s	4,300.00 4,366.05 tart Drop -2		84.81 84.81	4,098.89 4,160.96	108.39 110.43	1,193.92 1,216.41	1,198.83 1,221.42	0.00	0.00	0.00 0.00
	4,380.98	19.70	84.81	4,175.00	110.89	1,221.46	1,226.49	2.00	-2.00	0.00



SDIPlanning Report



Database: Company: Project:

Site:

EDM5000-RobertS-Local

Kerr McGee Oil and Gas Onshore LP

Uintah County, UT UTM12 NBU 1022-2L PAD

Well: NBU 1022-2K1CS

Wellbore: OH

Design: PLAN #1 PRELIMINARY

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well NBU 1022-2K1CS

GL 5049' & KB 4' @ 5053.00ft (ASSUMED) GL 5049' & KB 4' @ 5053.00ft (ASSUMED)

True

Minimum Curvature

ed Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
WASATCH									
4,400.00	19.32	84.81	4,192.93	111.47	1,227.79	1,232.84	2.00	-2.00	0.00
4,500.00	17.32	84.81	4,287.86	114.31	1,259.10	1,264.27	2.00	-2.00	0.00
4,600.00	15.32	84.81	4,383.82	116.85	1,287.08	1,292.37	2.00	-2.00	0.00
4,700.00	13.32	84.81	4,480.71	119.09	1,311.71	1,317.11	2.00	-2.00	0.00
4,800.00	11.32	84.81	4,578.40	121.02	1,332.96	1,338.45	2.00	-2.00	0.00
4,900.00	9.32	84.81	4,676.78	122.64	1,350.80	1,356.36	2.00	-2.00	0.00
5,000.00	7.32	84.81	4,775.72	123.94	1,365.22	1,370.83	2.00	-2.00	0.00
5,100.00	5.32	84.81	4,875.11	124.94	1,376.18	1,381.84	2.00	-2.00	0.00
	3.32	84.81	4,974.82	125.62	1,383.68	1,389.37	2.00	-2.00	0.00
5,200.00	1.32							-2.00	0.00
5,300.00	0.00	84.81	5,074.73	125.99	1,387.72	1,393.42	2.00		
5,366.05		0.00	5,140.77	126.06	1,388.47	1,394.19	2.00	-2.00	0.00
	hold at 5366.05		F 4= 1 = 0	400.00	4 000 45	4.004.40	2.22	2.22	2.22
5,400.00	0.00	0.00	5,174.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
5,500.00	0.00	0.00	5,274.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
5,600.00	0.00	0.00	5,374.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
5,700.00	0.00	0.00	5,474.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
5,800.00	0.00	0.00	5,574.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
5,900.00	0.00	0.00	5,674.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
					4 000 47				
6,000.00	0.00	0.00	5,774.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
6,100.00	0.00	0.00	5,874.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
6,200.00	0.00	0.00	5,974.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
6,300.00	0.00	0.00	6,074.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
6,400.00	0.00	0.00	6,174.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
6,500.00	0.00	0.00	6,274.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
6,600.00	0.00	0.00	6,374.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
6,679.27	0.00	0.00	6,454.00	126.06	1,388.47	1,394.19	0.00	0.00	0.00
MESAVERDE									
6,700.00	0.00	0.00	6,474.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
6,800.00	0.00	0.00	6,574.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
6,900.00	0.00	0.00	6,674.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
7,000.00	0.00	0.00	6,774.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
7,100.00	0.00	0.00	6,874.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
7,200.00	0.00	0.00	6,974.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
7,300.00	0.00	0.00	7,074.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
7,400.00	0.00	0.00	7,174.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
7,500.00	0.00	0.00	7,174.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
7,600.00	0.00	0.00	7,274.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
7,700.00	0.00	0.00	7,374.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
7,800.00	0.00	0.00	7,574.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
7,900.00	0.00	0.00	7,674.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
8,000.00	0.00	0.00	7,774.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
8,100.00	0.00	0.00	7,874.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
8,200.00	0.00	0.00	7,974.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
8,300.00	0.00	0.00	8,074.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
8,400.00	0.00	0.00	8,174.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
8,400.00 8,500.00		0.00	8,174.73 8,274.73			1,394.19	0.00	0.00	
	0.00			126.06	1,388.47				0.00
8,600.00	0.00	0.00	8,374.73 8,474.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
8,700.00	0.00	0.00	,	126.06	1,388.47	1,394.19	0.00	0.00	0.00
8,800.00	0.00	0.00	8,574.73	126.06	1,388.47	1,394.19	0.00	0.00	0.00
8,831.27	0.00	0.00	8,606.00	126.06	1,388.47	1,394.19	0.00	0.00	0.00



SDIPlanning Report



Database: Company: EDM5000-RobertS-Local

Kerr McGee Oil and Gas Onshore LP

Project: Uintah County, UT UTM12 Site: NBU 1022-2L PAD

Well: NBU 1022-2K1CS

Wellbore: OH

Design: PLAN #1 PRELIMINARY

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well NBU 1022-2K1CS

GL 5049' & KB 4' @ 5053.00ft (ASSUMED) GL 5049' & KB 4' @ 5053.00ft (ASSUMED)

True

Minimum Curvature

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PBHL_NBU 1022-2K1C: - plan hits target cent - Circle (radius 25.00		0.00	8,606.00	126.06	1,388.47	14,521,602.14	2,086,328.86	39° 58′ 36.736 N	109° 24' 30.100 W

Casing Points						
	Measured	Vertical		Casing	Hole	
	Depth	Depth		Diameter	Diameter	
	(ft)	(ft)	Name	(in)	(in)	
	2,267.53	2,189.00 8 5/8"		8.625	11.000	

Formations							
	Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)	
	1,110.78	1,100.00	GREEN RIVER				
	4,380.98	4,175.00	WASATCH				
	6,679.27	6,454.00	MESAVERDE				

Plan Annotations				
Measured	d Vertical	Local Coor	dinates	
Depth (ft)	Depth (ft)	+N/-S	+E/-W	Comment
(it)	(11)	(ft)	(ft)	Comment
300.0	300.00	0.00	0.00	Start Build 2.00
1,300.0	00 1,279.82	15.62	172.06	Start 3066.05 hold at 1300.00 MD
4,366.0	05 4,160.96	110.43	1,216.41	Start Drop -2.00
5,366.0	05 5,140.77	126.06	1,388.47	Start 3465.23 hold at 5366.05 MD
8,831.2	27 8,606.00	126.06	1,388.47	TD at 8831.27

Surface Use Plan of Operations 1 of 7

_	NBU 1022-2E4CS	_	
Surface:	2127 FSL / 750 FWL	NWSW	Lot
BHL:	2561 FNL / 822 FWL	SWNW	Lot
	NBU 1022-2K1CS		
		•	
Surface:	2107 FSL / 752 FWL	NWSW	Lot
BHL:	2235 FSL / 2141 FWL	NESW	Lot
	NBU 1022-2K4BS		
		•	
Surface:	2097 FSL / 752 FWL	NWSW	Lot
BHL:	1904 FSL / 2140 FWL	NESW	Lot
	NBU 1022-2L1BS	•	
Surface:	2117 FSL / 751 FWL	NWSW	Lot
BHL:	2398 FSL / 822 FWL	NWSW	Lot
_	NBU 1022-2L1CS		
Surface:	2087 FSL / 753 FWL	NWSW	Lot
BHL:	2067 FSL / 821 FWL	NWSW	Lot
_	NBU 1022-2L4BS	_	
Surface:	2077 FSL / 754 FWL	NWSW	Lot
BHL:	1736 FSL / 821 FWL	NWSW	Lot

Pad: NBU 1022-2L PAD Section 2 T10S R22E Mineral Lease: ST UT ML 22651

Uintah County, Utah

Operator: Kerr-McGee Oil & Gas Onshore LP

This SUPO contains surface operating procedures for Kerr-McGee Oil & Gas Onshore LP (KMG), a wholly owned subsidiary of Anadarko Petroleum Corporation (APC) pertaining to actions that involve the State of Utah School and Institutional Trust Lands Administration (SITLA) in the development of minerals leased to APC/KMG (including but not limited to, APDs/SULAs/ROEs/ROWs and/or easements.)

See associated Utah Division of Oil, Gas, and Mining (UDOGM) Form 3(s), plats, maps, and other attachments for site-specific information on projects represented herein.

In accordance with Utah Oil & Gas Conservation Rule R649-3-11 pertaining to Directional Drilling, these wells will be directionally drilled. Refer to Topo Map A for directions to the location and Topo Maps A and B for location of access roads within a 2-mile radius.

A. Existing Roads:

Existing roads consist of county and improved/unimproved lease roads. KMG will maintain existing roads in a condition that is the same as or better than before operations began and in a safe and usable condition. Maintenance of existing roads will continue until final abandonment and reclamation of well pads and/or other facilities. The road maintenance may include, but is not limited to, blading, ditching, culvert installation/cleanout, surfacing, and dust control.

Surface Use Plan of Operations 2 of 7

Typically, roads, gathering lines and electrical distribution lines will occupy common disturbance corridors and roadways will be used as working space. All disturbances located in the same corridor will overlap each other to the maximum extent possible; in no case will the maximum disturbance width of the access road and utility corridors exceed 50', unless otherwise approved.

B. Planned Access Roads:

One access road is proposed from the existing access road for the NBU 1022-2F pad heading south to the NE corner of the pad. Total distance is $\pm 70'$ (see Topo Map B). An additional access road is proposed from the southern edge of the pad heading southwesterly to the existing county road. Total distance of the additional access road to the existing county road is $\pm 410'$ (see Topo Map B).

If there are roads that are new or to be reconstructed, they will be located, designed, and maintained to meet the standards of SITLA and other commonly accepted Best Management Practices (BMPs). If a new road/corridor were to cross a water of the United States, KMG will adhere to the requirements of applicable Nationwide or Individual Permits of the Department of Army Corps of Engineers.

During the onsite, turnouts, major cut and fills, culverts, bridges, gates, cattle guards, low water crossings, or modifications needed to existing infrastructure/facilities were determined, as applicable, are typically shown on attached Exhibits and Topo maps.

C. <u>Location of Existing and Proposed Facilities</u>:

This pad will expand the existing pad for the NBU 217-2. The NBU 217-2 well location is a vertical producing well according to Utah Division of Oil, Gas and Mining (UDOGM) records as of July 19, 2011.

Production facilities (see Well Pad Design Summary and Facilities Diagram):

Production facilities will be installed on the disturbed portion of the well pad and may include bermed components (typically excluding dehy's and/or separators) that contain fluids (i.e. production tanks, produced liquids tanks). The berms will be constructed of compacted subsoil or corrugated metal, impervious, designed to hold 110% of the capacity of the largest tank, and be independent of the back cut. All permanent (on-site six months or longer) above ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earth-tone color chosen at the onsite in coordination with SITLA.

Gathering Facilities:

The following pipeline transmission facilities will apply if the well is productive (see Topo D):

The total gas gathering (steel line pipe with fusion bond epoxy coating) pipeline distances from the meter to the tie in point is ± 315 ° and the individual segments are broken up as follows:

- ± 125 ' (0.02 miles) –New 8" buried gas pipeline from the meter to the tie-in at the proposed 1022-2M Intersection. Please refer to Topo D2 Pad and Pipeline Detail.
- $\pm 190'$ (0.04 miles) –New 10" buried gas pipeline from the tie-in at the proposed 1022-2M Intersection to the tie-in at the proposed 1022-2F Intersection 10" gas pipeline. Please refer to Topo D2 Pad and Pipeline Detail.

The total liquid gathering pipeline distance from the separator to the tie in point is ± 315 ' and the individual segments are broken up as follows:

- ±125' (0.02 miles) Up to 6" new buried liquid pipeline from the separator to the tie-in at the proposed 1022-2M Intersection. Please refer to Topo D2 Pad and Pipeline Detail.
- ±190' (0.04 miles) Up to 6" new buried liquid pipeline from the proposed 1022-2M Intersection to the proposed 1022-2F Intersection 6" (max) liquid pipeline. Please refer to Topo D2 Pad and Pipeline Detail.

Surface Use Plan of Operations 3 of 7

The liquid gathering lines will be made of polyethylene or a composite polyethylene/steel or polyethylene/fiberglass that is not subject to internal or external pipe corrosion. The content of the produced fluids to be transferred by the liquid gathering system will be approximately 92% produced water and 8% condensate. Trunk line valve connections for the water gathering system will be below ground but accessible from the surface in order to prevent freezing during winter time.

The proposed pipelines will be buried and will include gas gathering and liquid gathering pipelines in the same trench. Where the pipeline is adjacent to the road or well pad, the road and/or well pad will be utilized for construction activities and staging. KMG requests a permanent 30' right-of-way adjacent to the road for life-of-project for maintenance, repairs, and/or upgrades, no additional right-of-way will be needed beyond the 30'. Where the pipeline is not adjacent to the road or well pad, KMG requests a temporary 45' construction right-of-way 30' permanent right-of-way.

The proposed trench width for the pipeline would range from 18-48 inches and will be excavated to a depth of 48 to 60 inches of normal soil cover or 24 inches of cover in consolidated rock. During construction blasting may occur along the proposed right-of-way where trenching equipment cannot cut into the bedrock. Large debris and rocks removed from the earth during trenching and blasting that could not be returned to the trench would be distributed evenly and naturally in the project area. The proposed pipelines will be pressure tested pneumatically (depending on size) or with fluids (either fresh or produced). If fluids are used, there will be no discharge to the surface.

Pipeline signs will be installed along the right-of-way to indicate the pipeline proximity and ownership, as well as to provide emergency contact phone numbers. Above ground valves, T's, and/or cathodic protection will be installed at various locations for connection, corrosion prevention and/or for safety purposes.

D. Location and Type of Water Supply:

Water for drilling purposes will be obtained from one of the following sources:

- Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32 T4S R3E, Water User Claim number 43-8496, application number 53617.
- Price Water Pumping Inc. Green River and White River, various sources, Water Right Number 49-1659, application number: a35745.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

E. Source of Construction Materials:

Construction operations will typically be completed with native materials found on location. If needed, construction materials that must be imported to the site (mineral material aggregate, soils or materials suitable for fill/surfacing) will be obtained from a nearby permitted source and described in subsequent Sundry requests. No construction materials will be removed from State lands without prior approval from SITLA.

F. Methods for Handling Waste Materials:

Should the well be productive, produced water will be contained in a water tank and will be transported by pipeline and/or truck to an approved disposal sites facilities and/or Salt Water Disposal (SWD) injection well. Currently, those facilities are:

Surface Use Plan of Operations
4 of 7

RNI in Sec. 5 T9S R22E Ace Oilfield in Sec. 2 T6S R20E MC&MC in Sec. 12 T6S R19E Pipeline Facility in Sec. 36 T9S R20E

Goat Pasture Evaporation Pond in SW/4 Sec. 16 T10S R22E

Bonanza Evaporation Pond in Sec. 2 T10S R23E

Ouray #1 SWD in Sec. 1 T9S R21E NBU 159 SWD in Sec. 35 T9S R21E CIGE 112D SWD in Sec. 19 T9S R21E CIGE 114 SWD in Sec. 34 T9S R21E NBU 921-34K SWD in Sec. 34 T9S R21E NBU 921-33F SWD in Sec. 33 T9S R21E NBU 921-34L SWD in Sec. 34 T9S R21E

Drill cuttings and/or fluids will be contained in the reserve/frac pit. Cuttings will be buried in pit(s) upon closure. Unless otherwise approved, no oil or other oil-based drilling additives, chromium/metals-based, or saline muds will be used during drilling. Only fresh water (as specified above), biodegradable polymer soap, bentonite clay, and/or non-toxic additives will be used in the mud system.

Pits will be constructed to minimize the accumulation of surface runoff. Should fluid hydrocarbons be encountered during drilling, completions or well testing, product will either be contained in test tanks on the well site or evacuated by vacuum trucks and transported to an approved disposal/sales facility. Should petroleum hydrocarbons unexpectedly be released into a pit, they will be removed as soon as practical but in no case will they remain longer than 72 hours unless an alternate is approved by SITLA. Should timely removal prove infeasible, the pit will be netted with mesh no larger than 1 inch until such time as hydrocarbons can be removed. Hydrocarbon removal will also take place prior to the closure of the pit, unless authorization is provided for disposal via alternative pit closure methods (e.g. solidification.)

The reserve and/or fracture stimulation pit will be lined with a synthetic material 20 mil or thicker, The liner will be installed over smooth fill subgrade that is free of pockets, loose rocks, or other materials (i.e. sand, sifted dirt, bentonite, straw, etc.) that could damage the liner. Any additional pits necessary for subsequent operations, such as temporary flare or workover pits, will be contained within the originally approved well pad and disturbance boundaries. Such temporary pits will be backfilled and reclaimed within 180 days of completion of work at a well location.

For the protection of livestock and wildlife, all open pits and cellars will be fenced/covered to prevent wildlife or livestock entry. Total height of pit fencing will be at least 42 inches and corner posts will be cemented and/or braced in such a manner as to keep the fence tight at all times. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

Pits containing drilling cuttings, mud, and/or completions fluids will be allowed to dry. Any free fluids remaining after after six (6) months from reaching total depth, date of completion, and/or determination of inactivity will be removed (as weather conditions allow) to an approved site and the pit reclaimed. Additional drying methods may include fly-ash solidification or sprinkler evaporation. Installation and operation of any sprinklers, pumps, and equipment will ensure that water spray or mist does not drift. Reserve pit liners will be cut off or folded as near to the mud surface as possible and as safety considerations allow and buried on location.

No garbage or non-exempt substances as defined by Resource Conservation and Recovery Act (RCRA) subtitle C will be placed in the reserve pit. All refuse generated during construction, drilling, completion, and well testing activities will be contained in an enclosed receptacle, removed from the drill locations promptly, and transported to an approved disposal facility.

Surface Use Plan of Operations 5 of 7

Portable, self-contained chemical toilets and/or sewage processing facilities will be provided for human waste disposal. Upon completion of operations, or as required, the toilet holding tanks will be pumped and the contents disposed of in an approved sewage disposal facility. All applicable regulations pertaining to disposal of human and solid waste will be observed.

Any undesirable event, including accidental release of fluids, or release in excess of reportable quantities, will be managed according to the notification requirements of UDOGMs "Reporting Oil and Gas Undesirable Events" rule. Where State wells are participatory to a Federal agreement, according to NTL-3A, the appropriate Federal agencies will be notified.

Materials Management

Hazardous materials above reportable quantities will not be produced by drilling or completing proposed wells or constructing the pipelines/facilities. The term "hazardous materials" as used here means: (1) any substance, pollutant, or containment listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980, as amended 42 U.S.C. 9601 et seq., and the regulations issued under CERCLA; and (2) any hazardous waste as defined in RCRA of 1976, as amended. In addition, no extremely hazardous substance, as defined in 40 CFR 355, in threshold planning quantities, would be used, produced, stored, transported, or disposed of while producing any well.

Chemicals subject to reporting under Title III of the Superfund Amendments and Reauthorization Act (SARA) in quantities of 10,000 pounds or more may be produced and/or stored at production facilities and may be kept in limited quantities on drilling sites and well locations for short periods of time during drilling or completion activities.

G. Ancillary Facilities:

None are anticipated.

H. Well Site Layout (see Well Pad Design Summary):

The location, orientation and aerial extent of each drill pad; reserve/completion/flare pit; access road ingress/egress points, drilling rig, dikes/ditches, existing wells/infrastructure; proposed cuts and fills; and topsoil and spoil material stockpile locations are depicted on the exhibits for each project, where applicable. Site-specific conditions may require slight deviation in actual equipment and facility layout; however, the area of disturbance, as described in the survey, will not be exceeded.

Coordinates are provided in the National Spatial Reference System, North American Datum, 1927 (NAD27) or latest edition. Distances are depicted on each plat to the nearest two adjacent section lines.

I. Plans for Reclamation of the Surface:

Surface reclamation will be undertaken in two phases: interim and final. Interim reclamation is conducted following well completion and extends through the period of production. This reclamation is for the area of the well pad that is not required for production activities. Final reclamation is conducted following well plugging/conversion and/or facility abandonment processes.

Reclamation activities in both phases may include but is not limited to the re-contouring or re-configuration of topographic surfaces, restoration of drainage systems, segregation of spoils materials, minimizing surface disturbance, re-evaluating backfill requirements, pit closure, topsoil redistribution, soil treatments, seeding and weed control.

Interim Reclamation

Interim reclamation includes pit closure, re-contouring (where possible), soil bed preparation, topsoil placement, seeding, and/or weed control.

Surface Use Plan of Operations 6 of 7

Interim re-contouring involves bringing all construction material from cuts and fills back onto the well pad and site and reestablishing the natural contours where desirable and practical. Fill and stockpiled spoils no longer necessary to the operation will be spread on the cut slopes and covered with stockpiled topsoil. All stockpiled top soils will be used for interim reclamation where practical to maintain soil viability. Where possible, the land surface will be left "rough" after re-contouring to ensure that the maximum surface area will be available to support the reestablishment of vegetative cover.

A reserve pit, upon being allowed to dry, will be backfilled and compacted with cover materials that are void of any topsoil, vegetation, large stones, rocks or foreign objects. Soils that are moisture laden, saturated, or partially/completely frozen will not be used for backfill or cover. The pit area will be mounded to allow for settling and to promote positive surface drainage away from the pit.

Final Reclamation

Final reclamation will be performed for newly drilled unproductive wells and/or at the end of the life of a productive well. As soon as practical after the conclusion of drilling and testing operations, unproductive drill holes will be plugged and abandoned (P&A). Site and road reclamation will commence following plugging. In no case will reclamation at non-producing locations be initiated later than six (6) months from the date a well is plugged. A joint inspection of the disturbed area to be reclaimed may be requested by KMG. The primary purpose of this inspection will be to review the existing conditions, or agree upon a revised final reclamation and abandonment plan. A Notice of Intent to Abandon will be filed for final recommendations regarding surface reclamation.

After plugging, all wellhead equipment that is no longer needed will be removed, and the well site will be reclaimed. Final contouring will blend with and follow as closely as practical the natural terrain and contours of the original site and surrounding areas. After re-contouring, final grading will be conducted over the entire surface of the well site and access road. Where practical, the area will be ripped to a depth of 18 to 24 inches on 18 to 24-inch centers and surface materials will be pitted with small depressions to form longitudinal depressions 12 to 18 inches deep perpendicular to the natural flow of water.

All unnecessary surface equipment and structures (e.g. cattle guards) and water control structures (e.g. culverts, drainage pipes) not needed to facilitate successful reclamation will be removed during final reclamation. Roads that will be reclaimed will be ripped to a depth of 18 inches where practical, re-contoured to approximate the original contour of the ground and seeded.

Upon successfully completing reclamation of a P&A location, a Final Abandonment Notice will be submitted to UDOGM.

Seeding and Measures Common to Interim and Final Reclamation

Reclaimed areas may be fenced to exclude grazing and encourage re-vegetation.

On slopes where severe erosion can become a problem and the use of machinery is not practical, seed will be hand broadcast and raked with twice the specified amount of seed. The slope will be stabilized using materials specifically designed to prevent erosion on steep slopes and hold seed in place so vegetation can become permanently established. These materials will include, but are not limited to, erosion control blankets and bonded fiber matrix at a rate to achieve a minimum of 80 percent soil coverage.

Seeding will occur year-round as conditions allow. Seed mixes appropriate to the native plant community as determined and specified for each project location based on the site specific soils will be used for re-vegetation. The site specific seed mix will be provided by SITLA.

J. Surface/Mineral Ownership:

SITLA 675 East 500 South, Suite 500 Salt Lake City, UT 84102

L. Other Information:

None

M. Lessee's or Operators' Representative & Certification:

Andy Lytle Regulatory Analyst I Kerr-McGee Oil & Gas Onshore LP PO Box 173779 Denver, CO 80217-3779 (720) 929-6100 Tommy Thompson General Manager, Drilling Kerr-McGee Oil & Gas Onshore LP PO Box 173779 Denver, CO 80217-3779 (720) 929-6724

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage for State lease activities is provided by State Surety Bond 22013542, and for applicable Federal lease activities and pursuant to 43 CFR 3104, by Bureau of Land Management Nationwide Bond WYB000291.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that I have full knowledge of the State and Federal laws applicable to this operation; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filling of false statements.

	July 19, 2011
Andy Lytle	Date



Joseph D. Johnson 1099 18TH STREET STE. 1800 • DENVER, CO 80202 720-929-6708 • FAX 720-929-7708 E-MAIL: JOE.JOHNSON@ANADARKO.COM

July 25, 2011

Ms. Diana Mason Division of Oil, Gas and Mining P.O. Box 145801 Salt Lake City, UT 84114-6100

Re: Directional Drilling R649-3-11

NBU 1022-2K1CS

T10S-R22E

Section 2: NWSW

Surface: 2107' FSL, 752' FWL

T10S-R22E Section 2: NESW

Bottom Hole: 2235' FSL, 2141' FWL

Uintah County, Utah

Dear Ms. Mason:

Pursuant to the filing of Kerr-McGee Oil & Gas Onshore LP's (Kerr-McGee) Application for Permit to Drill regarding the above referenced well, we are hereby submitting this letter in accordance with Oil & Gas Conservation Rule R649-3-11 pertaining to the Exception to Location and Siting of Wells.

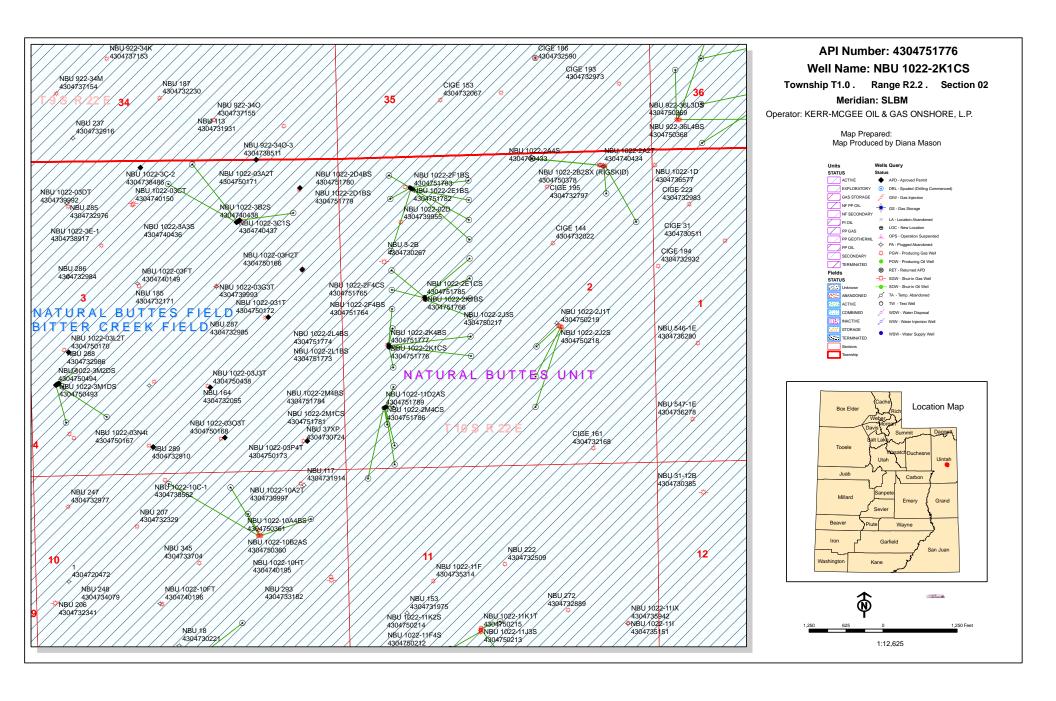
- Kerr-McGee's NBU 1022-2K1CS is located within the Natural Buttes Unit area.
- Kerr-McGee is permitting this well as a directional well in order to minimize surface disturbance. Locating the well at the surface location and directionally drilling from this location, Kerr-McGee will be able to utilize the existing road and pipelines in the area.
- Furthermore, Kerr-McGee certifies that it is the sole working interest owner within 460 feet of the entire directional well bore.

Therefore, based on the above stated information Kerr-McGee Oil & Gas Onshore LP requests the permit be granted pursuant to R649-3-11.

Sincerely,

KERR-MCGEE OIL & GAS ONSHORE LP

Joseph D. Johnson Landman



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

August 5, 2011

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2011 Plan of Development Natural Buttes Unit

Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2011 within the Natural Buttes Unit, Uintah County, Utah.

API # WELL NAME LOCATION

(Proposed PZ WASATCH-MESA VERDE)

NBU 1022-2F PAD

43-047-51760 NBU 1022-E4BS Sec 02 T10S R22E 2386 FNL 1379 FWL BHL Sec 02 T10S R22E 2231 FNL 0822 FWL 43-047-51761 NBU 1022-2F1CS Sec 02 T10S R22E 2366 FNL 1376 FWL BHL Sec 02 T10S R22E 1738 FNL 2145 FWL 43-047-51764 NBU 1022-2F4BS Sec 02 T10S R22E 2395 FNL 1381 FWL BHL Sec 02 T10S R22E 2069 FNL 2144 FWL 43-047-51765 NBU 1022-2F4CS Sec 02 T10S R22E 2405 FNL 1382 FWL BHL Sec 02 T10S R22E 2412 FNL 2141 FWL 43-047-51766 NBU 1022-2K1BS Sec 02 T10S R22E 2415 FNL 1384 FWL BHL Sec 02 T10S R22E 2566 FSL 2142 FWL 43-047-51785 NBU 1022-2E1CS Sec 02 T10S R22E 2376 FNL 1377 FWL BHL Sec 02 T10S R22E 1900 FNL 0823 FWL **NBU 1022-2D PAD** 43-047-51767 NBU 1022-2C4BS Sec 02 T10S R22E 0526 FNL 1185 FWL BHL Sec 02 T10S R22E 0745 FNL 2148 FWL 43-047-51768 NBU 1022-2C4CS Sec 02 T10S R22E 0537 FNL 1202 FWL BHL Sec 02 T10S R22E 1076 FNL 2147 FWL 43-047-51779 NBU 1022-2D1BS Sec 02 T10S R22E 0503 FNL 1152 FWL BHL Sec 02 T10S R22E 0291 FNL 0807 FWL

API # W	ELL 1	NAME		LOCA	TION		
(Proposed PZ	WAS	ATCH-MESA VER	DE)				
43-047-51780	NBU	1022-2D4BS BHI			R22E R22E		
43-047-51782	NBU	1022-2E1BS BHI			R22E R22E		
43-047-51783	NBU	1022-2F1BS BHI			R22E R22E		
NBU 1022-2L PAI)						
43-047-51771	NBU	1022-2E4CS BHI			R22E R22E		
43-047-51772	NBU	1022-2L1CS BHI			R22E R22E		
43-047-51773	NBU	1022-2L1BS BHI			R22E R22E		
43-047-51774	NBU	1022-2L4BS BHI			R22E R22E		
43-047-51776	NBU	1022-2K1CS BHI			R22E R22E		
		1022-2K4BS BHI			R22E R22E		
NBU 1022-2M PA				 			
43-047-51775	NBU	1022-2L4CS BHI			R22E R22E		
43-047-51778	NBU	1022-2M1BS BHI			R22E R22E	_	
43-047-51781	NBU	1022-2M1CS BHI			R22E R22E		
43-047-51784	NBU	1022-2M4BS BHI			R22E R22E		
43-047-51786	NBU	1022-2M4CS BHI			R22E R22E		
43-047-51789	NBU	1022-11D2AS BHI			R22E R22E		

This office has no objection to permitting the wells at this time.



bcc: File - Natural Buttes Unit

Division of Oil Gas and Mining

Central Files Agr. Sec. Chron Fluid Chron

MCoulthard:mc:8-5-11

From: Jim Davis

To: Hill, Brad; Mason, Diana

CC: Bonner, Ed; Garrison, LaVonne; Lytle, Andy

Date: 9/26/2011 5:08 PM

Subject: Anadarko APD approvals 10S 22E Sec 2, 11 and 14

Attachments: Anadarko Approvals from SITLA 9.26.11.xls

The following APDs have been approved by SITLA including arch clearance and paleo clearance:

```
4304751840
             NBU 1022-11P4CS
4304751860
            NBU 1022-12M1CS
4304751868
            NBU 1022-12M4BS
            NBU 1022-12M4CS
4304751870
            NBU 1022-2G1CS
4304751803
4304751807
            NBU 1022-2G1BS
4304751808
            NBU 1022-2H1BS
4304751812
            NBU 1022-2H1CS
4304751825
            NBU 1022-2H4BS
4304751811
            NBU 1022-2B1CS
4304751827
            NBU 1022-2B4CS
4304751828
            NBU 1022-2B4BS
4304751830
            NBU 1022-2C1BS
            NBU 1022-2I4CS
4304751809
4304751810
            NBU 1022-2P1BS
4304751824
            NBU 1022-2I1CS
4304751829
            NBU 1022-2I4BS
4304751838
            NBU 1022-2P4BS
4304751852
            NBU 1022-2P1CS
4304751839
            NBU 1022-2P4CS
            NBU 1022-11B1BS
4304751841
4304751842
            NBU 1022-11A1BS
4304751846
            NBU 1022-204CS
4304751848
            NBU 1022-11A4BS
4304751849
            NBU 1022-204BS
4304751850
            NBU 1022-11A1CS
```

These APDS are approved including arch clearance but will require **spot paleo monitoring** as recommended in the applicable paleo reports:

```
NBU 1022-2C1CS
4304751758
4304751767
            NBU 1022-2C4BS
4304751768
            NBU 1022-2C4CS
4304751779
            NBU 1022-2D1BS
4304751780
            NBU 1022-2D4BS
4304751782
            NBU 1022-2E1BS
            NBU 1022-2F1BS
4304751783
4304751760
            NBU 1022-2E4BS
4304751761
            NBU 1022-2F1CS
4304751764
            NBU 1022-2F4BS
4304751765
            NBU 1022-2F4CS
4304751766
            NBU 1022-2K1BS
4304751785
            NBU 1022-2E1CS
            NBU 1022-2L4CS
4304751775
            NBU 1022-2M1BS
4304751778
4304751781
            NBU 1022-2M1CS
4304751784
            NBU 1022-2M4BS
4304751786
            NBU 1022-2M4CS
4304751789
            NBU 1022-11D2AS
```

```
4304751802
             NBU 1022-11B4CS
4304751813
             NBU 1022-11B4BS
4304751815
             NBU 1022-11B1CS
4304751817
             NBU 1022-11C4AS
4304751818
             NBU 1022-11C4CS
4304751855
             NBU 1022-11F4AS
4304751805
             NBU 1022-11A4CS
4304751814
             NBU 1022-11H1BS
4304751822
             NBU 1022-11G4CS
4304751823
             NBU 1022-11G1BS
4304751837
             NBU 1022-11G1CS
4304751853
             NBU 1022-11G4BS
4304751834
             NBU 1022-11I1CS
4304751835
             NBU 1022-12L1CS
4304751857
             NBU 1022-11H4BS
4304751858
             NBU 1022-11H4CS
4304751861
             NBU 1022-12L1BS
4304751863
             NBU 1022-11H1CS
4304751866
             NBU 1022-11I4BS
4304751871
             NBU 1022-11I4CS
4304751872
             NBU 1022-12L4BS
4304751873
             NBU 1022-12L4CS
4304751816
             NBU 1022-11K4BS
4304751843
             NBU 1022-11J1CS
             NBU 1022-11J1BS
4304751851
4304751859
             NBU 1022-11K4CS
4304751862
             NBU 1022-11N1BS
             NBU 1022-11N1CS
4304751864
             NBU 1022-11N4BS
4304751865
4304751867
             NBU 1022-11N4CS
             NBU 1022-11O2AS
4304751869
```

These APDS are approved including arch clearance but will require **full paleo monitoring** as recommended in the applicable paleo reports:

```
4304751771
             NBU 1022-2E4CS
4304751772
             NBU 1022-2L1CS
             NBU 1022-2L1BS
4304751773
4304751774
             NBU 1022-2L4BS
4304751776
             NBU 1022-2K1CS
4304751777
             NBU 1022-2K4BS
4304751819
             NBU 1022-2G4CS
4304751820
             NBU 1022-2H4CS
4304751844
             NBU 1022-2J4BS
4304751845
             NBU 1022-201CS
4304751847
             NBU 1022-211BS
4304751854
             NBU 1022-2G4BS
4304751797
             NBU 1022-11C2CS
             NBU 1022-11C3DS
4304751799
             NBU 1022-11D1CS
4304751800
4304751801
             NBU 1022-11F2DS
4304751821
             NBU 1022-1101CS
             NBU 1022-1104CS
4304751831
             NBU 1022-11P1BS
4304751832
4304751833
             NBU 1022-11P4BS
4304751836
             NBU 1022-12M1BS
             NBU 1022-11O4BS
4304751856
```

That's a big enough list that I'm including a simple spreadsheet that has this same information, but organized in such a way as may be more useful to some of you. Thanks.

-Jim

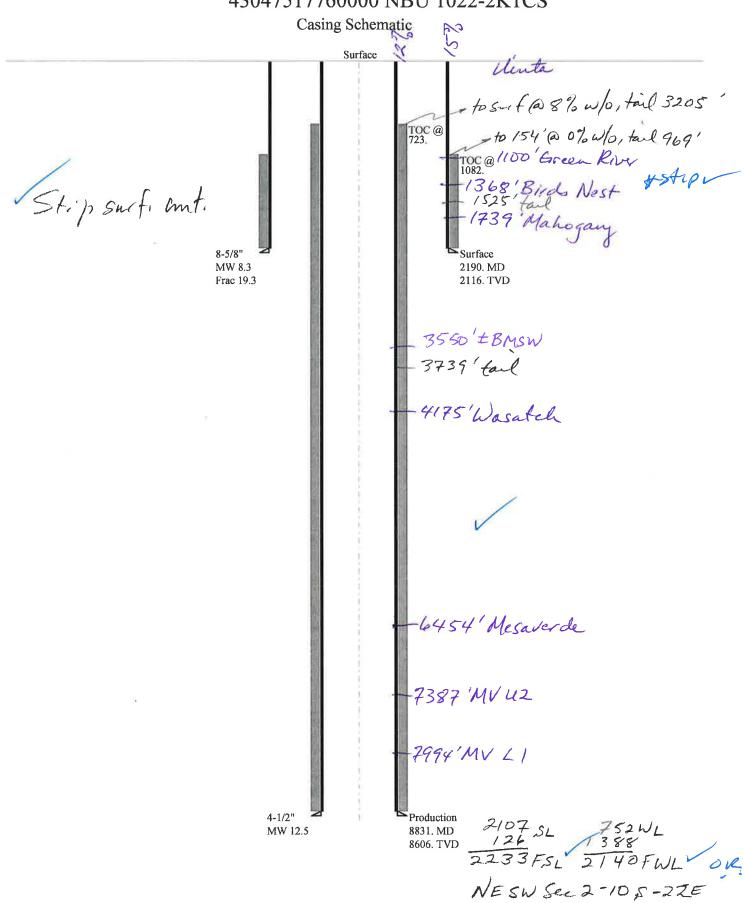
Jim Davis Utah Trust Lands Administration jimdavis1@utah.gov Phone: (801) 538-5156

BOPE REVIEW KERR-MCGEE OIL & GAS ONSHORE, L.P. NBU 1022-2K1CS 43047517760000

W. U.N.							_	-	I
Well Name		KERR-MCGE	E O	IL & GAS C	NS	HORE, L.P. N	BU	1022-2K1CS	
String		SURF		PROD	Ш		1		
Casing Size(")		8.625	4	1.500					
Setting Depth (TVD)		2116	8	8606					
Previous Shoe Setting Dept	th (TVD)	40	2	2116					
Max Mud Weight (ppg)		8.3	1	2.5					
BOPE Proposed (psi)		500	5	5000					
Casing Internal Yield (psi)		3390	7	780			Ī		
Operators Max Anticipated	d Pressure (psi)	5508	1	2.3			ſ		
Calculations	SUR	F String				8.62	25	"	
Max BHP (psi)		.052*Setti	ing	Depth*M	W=	913	_		
								BOPE Ade	equate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max	k BHP-(0.12*	*Set	tting Dept	h)=	659	_	NO	air drill
MASP (Gas/Mud) (psi)	Max	x BHP-(0.22*	*Set	tting Dept	h)=	447	ī	YES	OK
							*Can Full	Expected Pressure Be Held At Previous Shoe?	
Pressure At Previous Shoe	Max BHP22*(Setting D	epth - Previo	us S	Shoe Dept	th)=	456	1	NO	Reasonable for area
Required Casing/BOPE Test Pressure=				2116	j	psi			
*Max Pressure Allowed @ Previous Casing Shoe=					40		psi *Ass	umes 1psi/ft frac gradient	
							_		
Calculations	PRO	D String				4.50	00	"	
Max BHP (psi)		.052*Setti	ing	Depth*M	W=	5594	╝		
							_	BOPE Ade	equate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max	x BHP-(0.12*	*Set	tting Dept	:h)=	4561	╝	YES	
MASP (Gas/Mud) (psi)	Max	k BHP-(0.22*	*Set	tting Dept	h)=	3701		YES	OK
							_	*Can Full	Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP22*(Setting D	epth - Previo	us S	Shoe Dept	th)=	4166	╛	NO	Reasonable
Required Casing/BOPE Te	est Pressure=					5000		psi	
*Max Pressure Allowed @	Previous Casing Shoe=					2116		psi *Ass	umes 1psi/ft frac gradient
Calculations	S	tring			_			"	
Max BHP (psi)		.052*Setti	ing	Depth*M	W		╗		
						1,	=	BOPE Ade	equate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max	x BHP-(0.12*	*Set	tting Dept	h)=		╗	NO	i
MASP (Gas/Mud) (psi)	Max	x BHP-(0.22*	*Set	tting Dept	h)=	1	Ŧ	NO	
							=	1	Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP22*(Setting D	epth - Previou	us S	Shoe Dept	th)=	-	Ī	NO	
Required Casing/BOPE Te	est Pressure=						Ŧ	psi	
*Max Pressure Allowed @	Previous Casing Shoe=							psi *Ass	umes 1psi/ft frac gradient
Calculations	S	tring						"	
Max BHP (psi)		.052*Setti	ing	Depth*M	W		7		
<u> </u>					_	1	=	BOPE Ade	equate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max	x BHP-(0.12*	*Set	tting Dept	h)=		7	NO	
MASP (Gas/Mud) (psi)		x BHP-(0.22*			_	-	#	NO	i i
	I IVIA	. 2111 (0.22	500	s Depi)	1	4	<u>. </u>	Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP- 22*(Setting D	enth - Previou	us S	Shoe Dept	h)=	-	=	_	Expected Fressure De Heiu At Frevious Shoe:
			40 L	лос Бер		<u> </u>	╣	NO nei	
Required Casing/BOPE Te	est r ressure=					<u> </u>	Ц	psi	

*Max Pressure Allowed @ Previous Casing Shoe= psi *Assumes 1psi/ft frac gradient

43047517760000 NBU 1022-2K1CS



Well name:

43047517760000 NBU 1022-2K1CS

Operator:

KERR-MCGEE OIL & GAS ONSHORE, L.P.

String type:

Surface

Project ID:

Location:

UINTAH

COUNTY

43-047-51776

Desig	ın pa	rame	eters:

Collapse

Mud weight:

8.330 ppg Design is based on evacuated pipe.

Minimum design factors:

Collapse: Design factor

1.125

Environment:

H2S considered? Surface temperature: Bottom hole temperature:

No 74 °F 104 °F

Temperature gradient: Minimum section length: 1.40 °F/100ft 100 ft

Burst:

Design factor

1.00

1.80 (J)

1.70 (J)

1.60 (J)

1.50 (J)

1.50 (B)

Cement top:

1,082 ft

Burst

Max anticipated surface pressure:

Internal gradient: Calculated BHP

1,927 psi 0.120 psi/ft 2,181 psi

No backup mud specified.

Tension:

8 Round STC: 8 Round LTC: Buttress: Premium:

Body yield:

Tension is based on air weight. Neutral point: 1,913 ft Directional Info - Build & Drop

Kick-off point 300 ft Departure at shoe: 477 ft Maximum dogleg: 2 °/100ft 20° Inclination at shoe:

Re subsequent strings:

Next setting depth: 8,606 ft Next mud weight: 12.500 ppg Next setting BHP: 5,588 psi Fracture mud wt: 19.250 ppg Fracture depth: 2,190 ft Injection pressure: 2,190 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)	
1	2190	8.625	28.00	I-55	LT&C	2116	2190	7.892	86724	
Run Seq	Collapse Load (psi) 916	Collapse Strength (psi) 1880	Collapse Design Factor 2.053	Burst Load (psi) 2181	Burst Strength (psi) 3390	Burst Design Factor 1.55	Tension Load (kips) 59.3	Tension Strength (kips) 348	Tension Design Factor 5.87 J	

Prepared by: Helen Sadik-Macdonald Div of Oil, Gas & Mining

Phone: 801 538-5357 FAX: 801-359-3940

Date: August 22,2011 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2116 ft, a mud weight of 8.33 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Well name:

43047517760000 NBU 1022-2K1CS

Operator:

KERR-MCGEE OIL & GAS ONSHORE, L.P.

String type:

Production

Project ID: 43-047-51776

Location:

UINTAH

COUNTY

Design parameters:

Collapse

Mud weight:

12.500 ppg Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor

Environment:

H2S considered? Surface temperature: No 74 °F

Bottom hole temperature:

194 °F

Temperature gradient: Minimum section length: 1.40 °F/100ft

100 ft

Burst:

Design factor

1.00

1.80 (J)

1.80 (J)

1.125

Cement top:

723 ft

Burst

Max anticipated surface

pressure: Internal gradient: Calculated BHP

No backup mud specified.

3,695 psi

0.220 psi/ft

5,588 psi

Tension: 8 Round STC:

8 Round LTC: Buttress:

Premium: Body yield:

1.60 (J) 1.50 (J) 1.60 (B)

Tension is based on air weight. Neutral point: 7,223 ft Directional Info - Build & Drop

Kick-off point 300 ft 1394 ft Departure at shoe: Maximum dogleg: 2 °/100ft

0° Inclination at shoe:

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (Ibs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)	
1	8831	4.5	11.60	I-80	LT&C	8606	8831	3.875	116569	
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor	
1	5588	6360	1.138	5588	7780	1.39	99.8	212	2.12 J	

Prepared

Helen Sadik-Macdonald

Div of Oil, Gas & Mining

Phone: 801 538-5357 FAX: 801-359-3940

Date: August 22,2011 Salt Lake City, Utah

Collapse is based on a vertical depth of 8606 ft, a mud weight of 12.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator KERR-MCGEE OIL & GAS ONSHORE, L.P.

Well Name NBU 1022-2K1CS

API Number 43047517760000 APD No 4302 Field/Unit NATURAL BUTTES

Location: 1/4,1/4 NWSW **Sec** 2 **Tw** 10.0S **Rng** 22.0E 2107 FSL 752 FWL

GPS Coord (UTM) 635493 4426147 Surface Owner

Participants

Andy Lytle, Sheila Wopsock, Charles Chase, Grizz Oleen, Mark Kuehn, Doyle Holmes, (Kerr McGee). John Slaugh, Mitch Batty, (Timberline). Jim Davis (SITLA). David Hackford, (DOGM).

Regional/Local Setting & Topography

The general area is in the southeast portion of the Natural Buttes Unit on the northeast end of a major drainage divide called Archy Bench.. Within this area is the White River and rugged drainages that drain into it. Topography is varied and frequently dissected by short draws or washes, which become overly steep as they approach the White River breaks or rim. Distance to the White River varies from \(\frac{1}{2} \) miles. The side drainages are dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. Vernal, Utah is approximately 41 air miles to the northwest. Access from Vernal is approximately 58.9 road miles following Utah State, Uintah County and oilfield development roads. Five wells, in addition to this one will be directionally drilled from this pad. (for a total of six new wells). There is one existing well on this pad. (The NBU 217-2). At this time, the decision rather to PA or TA this well has not been made. This proposed location takes in an existing location, and very little new construction will be necessary except for digging the reserve pit. The existing access road will be reclaimed and a new access road of 70 feet will be constructed. The location runs in a north-south direction along the top of a flat topped ridge. This ridge breaks off sharply into rugged secondary canyons especially on the southeast and east sides. New construction will consist of approx. 50 feet on all sides of the existing pad, and an additional 50 feet on the northeast corner for reserve pit and excess cut stockpile. No drainage concerns exist, and no diversions will be needed. The pad as modified should be stable and should be a suitable location for seven wells, and is on the best site available in the immediate area.

Surface Use Plan

Current Surface Use

Wildlfe Habitat Existing Well Pad

New Road Miles Well Pad Src Const Material Surface Formation

0.075 Width 352 Length 425 Onsite UNTA

Ancillary Facilities N

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

9/27/2011 Page 1

Prickly pear, wild onion, shadscale, mat saltbrush, Indian ricegrass, halogeton, pepper grass, annuals and curly Vegetation is a salt desert shrub type. Principal species present are cheatgrass, black sagebrush, stipa, mesquite grass.

Sheep, antelope, raptors and small mammals and birds.

Soil Type and Characteristics

Shallow rocky sandy loam.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required? N

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? Y Paleo Potental Observed? N Cultural Survey Run? Y Cultural Resources? N

Reserve Pit

Site-Specific Factors	Site R	anking	
Distance to Groundwater (feet)	100 to 200	5	
Distance to Surface Water (feet)	>1000	0	
Dist. Nearest Municipal Well (ft)	>5280	0	
Distance to Other Wells (feet)		20	
Native Soil Type	Mod permeability	10	
Fluid Type	Fresh Water	5	
Drill Cuttings	Normal Rock	0	
Annual Precipitation (inches)		0	
Affected Populations			
Presence Nearby Utility Conduits	Not Present	0	
	Final Score	40	1 Sensitivity Level

Characteristics / Requirements

The reserve pit is planned in an area of cut on the west side of the location. Dimensions are 120' x 255' x 12' deep with 2' of freeboard. Kerr McGee agreed to line the pit with a 30-mil liner and 2 layers of felt.

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 30 Pit Underlayment Required? Y

Other Observations / Comments

Evaluator	Date / Time
David Hackford	8/18/2011

9/27/2011 Page 2

Application for Permit to Drill Statement of Basis

9/27/2011 Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo		Status	Well Type	Surf Owner	CBM
4302	43047517760000		LOCKED	GW	S	No
Operator	KERR-MCGEE O	IL & GAS O	NSHORE, L.P.	Surface Owner-APD		
Well Name	NBU 1022-2K1CS	}		Unit	NATURAL B	UTTES
Field	NATURAL BUTT	ES		Type of Work	DRILL	
Location	NWSW 2 10S	22E S 2	107 FSL 752 F	WL GPS Coord (UTM)	635495E 442	26139N

Geologic Statement of Basis

Kerr McGee proposes to set 2,190' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 3,550'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of Section 2. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. Production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresher waters uphole.

Brad Hill 9/22/2011
APD Evaluator Date / Time

Surface Statement of Basis

The general area is in the southeast portion of the Natural Buttes Unit on the northeast end of a major drainage divide called Archy Bench. Within this area is the White River and rugged drainages that drain into it. Topography is varied and frequently dissected by short draws or washes, which become overly steep as they approach the White River breaks or rim. Distance to the White River varies from ¼ mile to 2 miles. The side drainages are dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. Vernal, Utah is approximately 41 air miles to the northwest. Access from Vernal is approximately 58.9 road miles following Utah State, Uintah County and oilfield development roads. The existing access road will be reclaimed and a new one of 70 feet will be constructed.

Six wells will be directionally drilled from this location. They are the NBU 1022-2L4BS, NBU 1022-2L1CS, NBU 1022-2K4BS, NBU 1022-2K1CS, NBU 1022-2L1BS, and the NBU 1022-2E4CS. The existing location has one existing well. This well is the NBU 217-2 and at this time the decision rather to PA or TA this well has not been made. The location is on a flat topped ridge that runs in a north-south direction. This ridge breaks off sharply into rugged secondary canyons especially on the southeast and east sides. No drainage concerns exist, and no diversions will be needed. The pad as modified should be stable and sufficient for seven wells, and is the best site for a location in the immediate area.

Excess material will be stockpiled on the north side of the new reserve pit. Approx. 50' of additional construction will be necessary on all sides of the original location.

Both the surface and minerals are owned by SITLA. Jim Davis of SITLA and Ben Williams with DWR were invited by email to the pre-site evaluation. Jim Davis was present. Kerr McGee was told to consult with SITLA for reclamation standards including seeding mixes to be used.

David Hackford 8/18/2011
Onsite Evaluator Date / Time

RECEIVED: September 27, 2011

Application for Permit to Drill Statement of Basis

Utah Division of Oil, Gas and Mining

Page 2

Conditions of Approval / Application for Permit to Drill

Category Condition

9/27/2011

Pits A synthetic liner with a minimum thickness of 30 mils with a felt subliner shall be properly installed and maintained in the

reserve pit.

Pits The reserve pit should be located on the west side of the location.

RECEIVED: September 27, 2011

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 8/1/2011 **API NO. ASSIGNED:** 43047517760000

WELL NAME: NBU 1022-2K1CS

OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. (N2995) **PHONE NUMBER:** 720 929-6100

CONTACT: Andy Lytle

PROPOSED LOCATION: NWSW 02 100S 220E **Permit Tech Review:**

> SURFACE: 2107 FSL 0752 FWL **Engineering Review:**

> **BOTTOM:** 2235 FSL 2141 FWL Geology Review:

COUNTY: UINTAH

LATITUDE: 39.97645 LONGITUDE: -109.41328 UTM SURF EASTINGS: 635495.00 NORTHINGS: 4426139.00

FIELD NAME: NATURAL BUTTES

LEASE TYPE: 3 - State

LEASE NUMBER: ST UT ML 22651 PROPOSED PRODUCING FORMATION(S): WASATCH-MESA VERDE

SURFACE OWNER: 3 - State **COALBED METHANE: NO**

RECEIVED AND/OR REVIEWED: LOCATION AND SITING:

 PLAT R649-2-3.

Unit: NATURAL BUTTES **Bond:** STATE - 22013542

Potash R649-3-2. General

Oil Shale 190-5

R649-3-3. Exception Oil Shale 190-3

Oil Shale 190-13 **Drilling Unit**

Board Cause No: Cause 173-14 Water Permit: 43-8496

Effective Date: 12/2/1999 **RDCC Review:**

Siting: 460' Fr U Bdry & Uncommitted Tracts **Fee Surface Agreement**

✓ Intent to Commingle ✓ R649-3-11. Directional Drill

Commingling Approved

Comments: Presite Completed

Stipulations:

3 - Commingling - ddoucet 5 - Statement of Basis - bhill 15 - Directional - dmason 17 - Oil Shale 190-5(b) - dmason 25 - Surface Casing - hmacdonald

API Well No: 43047517760000



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: NBU 1022-2K1CS API Well Number: 43047517760000 Lease Number: ST UT ML 22651

Surface Owner: STATE **Approval Date:** 9/27/2011

Issued to:

KERR-MCGEE OIL & GAS ONSHORE, L.P., P.O. Box 173779, Denver, CO 80217

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 173-14. The expected producing formation or pool is the WASATCH-MESA VERDE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

Commingle:

In accordance with Board Cause No. 173-14, commingling of the production from the Wasatch formation and the Mesaverde formation in this well is allowed.

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

In accordance with the Order in Cause No. 190-5(b) dated October 28, 1982, the operator shall comply with the requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operators shall ensure that the surface and or production casing is properly cemented over the entire oil shale section as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the division.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Surface casing shall be cemented to the surface.

API Well No: 43047517760000

Additional Approvals:

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan contact Dustin Doucet
- Significant plug back of the well contact Dustin Doucet
- Plug and abandonment of the well contact Dustin Doucet

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well contact Carol Daniels OR
- submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at http://oilgas.ogm.utah.gov
- 24 hours prior to testing blowout prevention equipment contact Dan Jarvis
- 24 hours prior to cementing or testing casing contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well contact Dan Jarvis

Contact Information:

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 office
- Dustin Doucet 801-538-5281 office

801-733-0983 - after office hours

• Dan Jarvis 801-538-5338 - office

801-231-8956 - after office hours

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) due within 5 days of spudding the well
- Monthly Status Report (Form 9) due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) due prior to implementation
- Written Notice of Emergency Changes (Form 9) due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) due prior to implementation
- Report of Water Encountered (Form 7) due within 30 days after completion
- Well Completion Report (Form 8) due within 30 days after completion or plugging

Approved By:

For John Rogers Associate Director, Oil & Gas

SUBMIT AS EMAIL

Print Form

BLM - Vernal Field Office - Notification Form

Ope	rator KERR-McGEE OIL & GA	<u>AS</u> Rig Name/# <u>BU</u>	CKET RIG
	mitted By SHEILA WOPSOCK		5.781.7024
	Name/Number NBU 1022-21		
Qtr/0	Qtr <u>nw/sw</u> Section 2	Township 108	Range 22E
	se Serial Number ST UT ML-2	22651	
API	Number <u>4304751776</u>		
	<u>d Notice</u> – Spud is the initia below a casing string.	I spudding of the w	ell, not drilling
	Date/Time <u>02/14/2012</u>	1400 HRS. AM ✓	PM 🗌
<u>Casi</u> time	ng – Please report time cas	ing run starts, not	cementing
	Surface Casing		RECEIVED
	Intermediate Casing		FEB 1 3 2012
	Production Casing		DIV. OF OIL, GAS & MINING
	Liner Other		one, and a mining
	Date/Time 02/24/2012	0800 HRS AM ✓	PM 🗌
ВОР	E		
	 Initial BOPE test at surface	e casing point	
	BOPE test at intermediate	casing point	
	30 day BOPE test Other		
	Date/Time	AM [PM
Rem	arks ESTIMATED DATE AND LOVEL YOUNG AT 435.	TIME. PLEASE COI 781.7051 FOR MOR	NTACT

	STATE OF UTAH		FORM 9
	DEPARTMENT OF NATURAL RESOURCE DIVISION OF OIL, GAS, AND MINI		5.LEASE DESIGNATION AND SERIAL NUMBER: ST UT ML 22651
SUNDR	RY NOTICES AND REPORTS O	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	posals to drill new wells, significantly d reenter plugged wells, or to drill horizon n for such proposals.		7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: NBU 1022-2K1CS
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON	ISHORE, L.P.		9. API NUMBER: 43047517760000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18tl	h Street, Suite 600, Denver, CO, 80217	PHONE NUMBER: 3779 720 929-0	9. FIELD and POOL or WILDCAT: 5NATERAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2107 FSL 0752 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH	HIP, RANGE, MERIDIAN: 02 Township: 10.0S Range: 22.0E Merid	ian: S	STATE: UTAH
11. CHEC	K APPROPRIATE BOXES TO INDICAT	E NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION
	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
✓ SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
Date of Spud: 2/14/2012	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
2,11,2012	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
	WILDCAT WELL DETERMINATION	OTHER	OTHER:
40 DECODINE PROPOSED OR	COMPLETED OPERATIONS. Clearly show al		<u> </u>
MIRU TRIPPLE A BU RAN 14" 36.7# SCI	JCKET RIG. DRILLED 20" CON HEDULE 10 PIPE. CMT W/28 S ELL ON 02/14/2012 AT 2000	DUCTOR HOLE TO 40'. SX READY MIX. SPUD	Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY February 21, 2012
NAME (PLEASE PRINT) Sheila Wopsock	PHONE NUMBE 435 781-7024	R TITLE Regulatory Analyst	
SIGNATURE N/A		DATE 2/16/2012	
		, ,	

	STATE OF UTAH		FORM 9
ı	DEPARTMENT OF NATURAL RESOURC DIVISION OF OIL, GAS, AND MIN		5.LEASE DESIGNATION AND SERIAL NUMBER: ST UT ML 22651
SUNDR	RY NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	posals to drill new wells, significantly or reenter plugged wells, or to drill horizor n for such proposals.		7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: NBU 1022-2K1CS
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON	ISHORE, L.P.		9. API NUMBER: 43047517760000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th	n Street, Suite 600, Denver, CO, 80217	PHONE NUMBER: 3779 720 929-0	9. FIELD and POOL or WILDCAT: 5NATERAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2107 FSL 0752 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH	HP, RANGE, MERIDIAN: 02 Township: 10.0S Range: 22.0E Merio	lian: S	STATE: UTAH
11. CHECI	K APPROPRIATE BOXES TO INDICAT	E NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	☐ NEW CONSTRUCTION
	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
3/1/2012	WILDCAT WELL DETERMINATION	OTHER	OTHER:
MIRU AIR RIG ON 2,420'. RAN SURFA	COMPLETED OPERATIONS. Clearly show a FEBRUARY 29, 2012. DRILLEI CE CASING AND CEMENTED LILS OF CEMENT JOB WILL BE COMPLETION REPORT.	SURFACE HOLE TO WELL IS WAITING ON	<u> </u>
NAME (PLEASE PRINT) Jaime Scharnowske	PHONE NUMBI 720 929-6304	R TITLE Regulartory Analyst	
SIGNATURE	720 020 0004	DATE	
N/A		3/2/2012	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM

Operator:

KERR McGEE OIL & GAS ONSHORE LP

Operator Account Number: N 2995

Address:

1368 SOUTH 1200 EAST

city VERNAL

state UT zip 84078

Phone Number: (435) 781-7024

Well 1

API Number	Well	Name	QQ	Sec	Twp	Rng	County
4304751777	NBU 1022-2K4BS		NWSW	2	108	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	s	Spud Date		Entity Assignment Effective Date	
A	99999	2900	2	2/14/201	2	2	2312012

Comments:

MIRU TRIPPLE A BUCKET RIG.

SPUD WELL ON 02/14/2012 AT 1600 HRS.

BHL hose

Well 2

API Number	Well	Name	QQ	Sec	Twp	Rng	County			
4304751776	NBU 1022-2K1CS	NBU 1022-2K1CS				22E UINTAH				
Action Code	Current Entity Number	New Entity Number	s	Spud Date			ity Assignment iffective Date			
A	99999	2900	. 2	2/14/201	2	2	212312012			

Comments:

MIRU TRIPPLE A BUCKET RIG.

SPUD WELL ON 02/14/2012 AT 2000 HRS.

Well 3

API Number	Weli N	Vame	QQ	Sec	Twp	Rng	County		
4304751771	NBU 1022-2E4CS		NWSW	2	108	22E	UINTAH		
Action Code	Current Entity Number	New Entity Number	s	Spud Date 2/15/2012			ity Assignment iffective Date		
A	99999	2900	2				12312012		

Comments:

MIRU TRIPPLE A BUCKET RIG.

SPUD WELL ON 02/15/2012 AT 1200 HRS. BHL SWIDE

ACTION CODES:

A - Establish new entity for new well (single well only)

B - Add new well to existing entity (group or unit well)

- Re-assign well from one existing entity to another existing entity
- D Re-assign well from one existing entity to a new entity
- E Other (Explain in 'comments' section)

SHEILA WOPSOCK

Name (Please Print)

Signature

REGULATORY ANALYST

2/16/2012

Title

Date

(5/2000)

RECEIVED
FEB 1 3 2012

Div. of Oil. Gas & Mining

	STATE OF UTAH		FORM 9				
1	DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MININ		5.LEASE DESIGNATION AND SERIAL NUMBER: ST UT ML 22651				
SUNDR	RY NOTICES AND REPORTS OF	N WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:				
Do not use this form for procurrent bottom-hole depth, FOR PERMIT TO DRILL form	7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES						
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: NBU 1022-2K1CS				
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON	NSHORE, L.P.		9. API NUMBER: 43047517760000				
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18tl	PI h Street, Suite 600, Denver, CO, 80217 3	HONE NUMBER: 720 929-6	9. FIELD and POOL or WILDCAT: 5NATERAL BUTTES				
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2107 FSL 0752 FWL			COUNTY: UINTAH				
QTR/QTR, SECTION, TOWNSH Qtr/Qtr: NWSW Section:	HP, RANGE, MERIDIAN: 02 Township: 10.0S Range: 22.0E Meridia	n: S	STATE: UTAH				
11. CHEC	K APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPOR	RT, OR OTHER DATA				
TYPE OF SUBMISSION		TYPE OF ACTION					
The Operator re Specifically, the O loop drilling option,	COMPLETED OPERATIONS. Clearly show all perator requests approval for and a production casing charporved drilling plan will not characters.	n the drilling plan. a FIT wavier, closed age. All other aspects	CASING REPAIR CHANGE WELL NAME CONVERT WELL TYPE NEW CONSTRUCTION PLUG BACK RECOMPLETE DIFFERENT FORMATION TEMPORARY ABANDON WATER DISPOSAL APD EXTENSION OTHER: Depths, volumes, etc. Approved by the Utah Division of Oil, Gas and Mining Date: March 07, 2012 By:				
NAME (PLEASE PRINT) Jaime Scharnowske	PHONE NUMBER 720 929-6304	TITLE Regulartory Analyst					
SIGNATURE N/A		DATE 3/6/2012					

NBU 1022-2K1CS Drilling Program
1 of 7

Kerr-McGee Oil & Gas Onshore. L.P.

NBU 1022-2K1CS

Surface: 2107 FSL / 752 FWL NWSW BHL: 2235 FSL / 2141 FWL NESW

Section 2 T10S R22E

Uintah County, Utah Mineral Lease: ST UT ML 22651

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. & 2. <u>Estimated Tops of Important Geologic Markers</u>: <u>Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations</u>:

<u>Formation</u>	<u>Depth</u>	<u>Resource</u>
Uinta	0 - Surface	
Green River	1,078'	
Birds Nest	1,359'	Water
Mahogany	1,857'	Water
Wasatch	4,176'	Gas
Mesaverde	6,456'	Gas
TVD	8,606'	
TD	8,831'	

3. <u>Pressure Control Equipment</u> (Schematic Attached)

Please refer to the attached Drilling Program

4. **Proposed Casing & Cementing Program:**

Please refer to the attached Drilling Program

5. <u>Drilling Fluids Program:</u>

Please refer to the attached Drilling Program

6. Evaluation Program:

Please refer to the attached Drilling Program

NBU 1022-2K1CS Drilling Program
2 of 7

7. **Abnormal Conditions:**

Maximum anticipated bottom hole pressure calculated at 8606' TVD, approximately equals 5,508 psi 0.64 psi/ft = actual bottomhole gradient

Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD

Maximum anticipated surface pressure equals approximately 3,602 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot, per Onshore Order No. 2).

Per Onshore Order No. 2 - Max Anticipated Surf. Press.(MASP) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point))

8. <u>Anticipated Starting Dates:</u>

Drilling is planned to commence immediately upon approval of this application.

9. <u>Variances:</u>

Please refer to the attached Drilling Program. Onshore Order #2 – Air Drilling Variance

Kerr-McGee Oil & Gas Onshore LP (KMG) respectfully requests a variance to several requirements associated with air drilling outlined in Onshore Order 2

- · Blowout Prevention Equipment (BOPE) requirements;
- · Mud program requirements; and
- Special drilling operation (surface equipment placement) requirements associated with air drilling.

This Standard Operating Practices addendum provides supporting information as to why KMG current air drilling practices for constructing the surface casing hole should be granted a variance to Onshore Order 2 air drilling requirements.

The reader should note that the air rig is used only to construct a stable surface casing hole through a historically difficult lost circulation zone. A conventional rotary rig follows the air rig, and is used to drill and construct the majority of the wellbore.

More notable, KMG has used the air rig layout and procedures outlined below to drill the surface casing hole in approximately 675 wells without incident of blow out or loss of life.

Background

In a typical well, KMG utilizes an air rig for drilling the surface casing hole, an interval from the surface to surface casing depths, which varies in depth from 1,700 to 2,800 feet. The air rig drilling operation does not drill through productive or over pressured formations in KMG field, but does penetrate the Uinta and Green River Formations. The purpose of the air drilling operation is to overcome the severe loss circulation zone in the Green River known as the Bird's Nest while creating a stable hole for the surface casing. The surface casing hole is generally drilled to approximately 500 feet below the Bird's Nest.

NBU 1022-2K1CS Drilling Program
3 of 7

Before the surface air rig is mobilized, a rathole rig is utilized to set and cement conductor pipe through a competent surface formation. Generally, the conductor is set at 40 feet. In some cases, conductor may be set deeper in areas that the surface formation is not found competent. This rig also drills the rat and mouse holes in preparation for the surface casing and production string drilling operations.

The air rig is then mobilized to drill the surface casing hole by drilling a 12 1/4 inch hole for the first 200 feet, then will drill a 11inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 11 inch tri-cone bit. The tri-cone bit is used to drill to the surface casing point, approximately 500 feet below the loss circulation zone (Bird's Nest). The 8-5/8 inch surface casing is then run and cemented in place, thereby isolating the lost circulation zone.

KMG fully appreciates Onshore Order 2 well control and safety requirements associated with a typical air drilling operations. However, the requirements of Onshore Order 2 are excessive with respect to the air rig layout and drilling operation procedures that are currently in practice to drill and control the surface casing hole in KMG Fields.

Variance for BOPE Requirements

The air rig operation utilizes a properly lubricated and maintained air bowl diverter system which diverts the drilling returns to a six-inch blooie line. The air bowl is the only piece of BOPE equipment which is installed during drilling operations and is sufficient to contain the air returns associated with this drilling operation. As was discussed earlier, the drilling of the surface hole does not encounter any over pressured or productive zones, and as a result standard BOPE equipment should not be required. In addition, standard drilling practices do not support the use of BOPE on 40 feet of conductor pipe.

Variance for Mud Material Requirements

Onshore Order 2 also states that sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring adequate well control. Once again, the surface hole drilling operations does not encounter over pressured or productive intervals, and as a result there is not a need to control pressure in the surface hole with a mud system. Instead of mud, the air rigs utilize water from the reserve pit for well control, if necessary. A skid pump which is located near the reserve pit (see attachment) will supply the water to the well bore.

Variance for Special Drilling Operation (surface equipment placement) Requirements

Onshore Order 2 requires specific safety distances or setbacks for the placement of associated standard air drilling equipment, wellbore, and reserve pits. The air rigs used to drill the surface holes are not typical of an air rig used to drill a producing hole in other parts of the US. These are smaller in nature and designed to fit a KMG location. The typical air rig layout for drilling surface hole in the field is attached.

Typically the blooie line discharge point is required to be 100 feet from the well bore. In the case of a KMG well, the reserve pit is only 45 feet from the rig and is used for the drill cuttings. The blooie line, which transports the drill cuttings from the well to the reserve pit, subsequently discharges only 45 feet from the well bore.

Typically the air rig compressors are required to be located in the opposite direction from the blooie line and a minimum of 100 feet from the well bore. At the KMG locations, the air rig compressors are approximately 40 feet from the well bore and approximately 60 feet from the blooie line discharge due to the unique air rig design. The air compressors (see attachment) are located on the rig (1250 cfm) and

NBU 1022-2K1CS Drilling Program
4 of 7

on a standby trailer (1170 cfm). A booster sits between the two compressors and boosts the output from 350 psi to 2000 psi. The design does put the booster and standby compressor opposite from the blooie line.

Lastly, Onshore Order 2 addresses the need for an automatic igniter or continuous pilot light on the blooie line. The air rig does not utilize an igniter as the surface hole drilling operation does not encounter productive formations.

Variance for FIT Requirements

KMG also respectfully requests a variance to Onshore Order 2, Section III, Part Bi, for the pressure integrity test (PIT, also known as a formation integrity test (FIT)). This well is not an exploratory well and is being drilled in an area where the formation integrity is well known. Additionally, when an FIT is run with the mud weight as required, the casing shoe frequently breaks down and causes subsequent lost circulation when drilling the entire depth of the well.

Conclusion

The air rig operating procedures and the attached air rig layout have effectively maintained well control while drilling the surface holes in KMG Fields. KMG respectfully requests a variance from Onshore Order 2 with respect to air drilling well control requirements as discussed above.

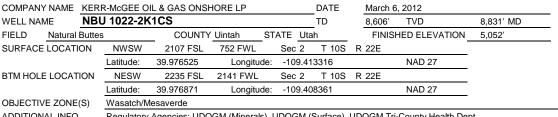
10. <u>Other Information:</u>

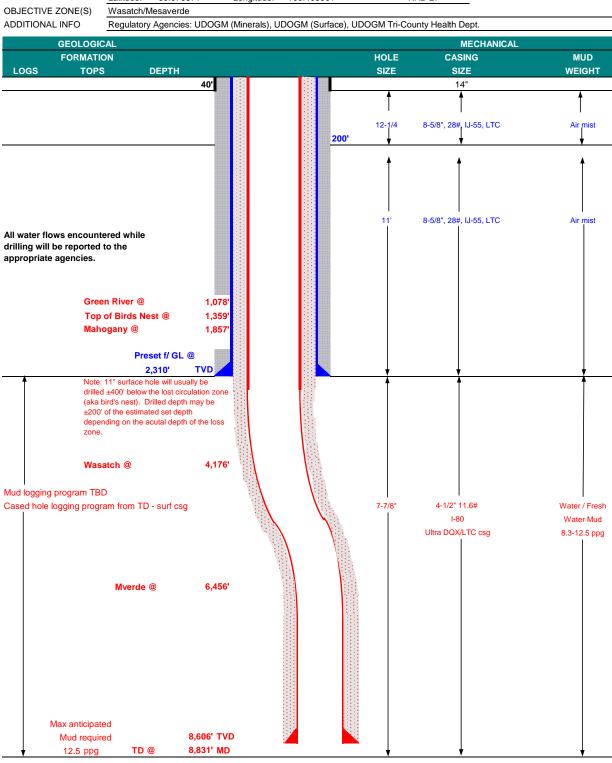
Please refer to the attached Drilling Program.

NBU 1022-2K1CS Drilling Program 5 of 7



KERR-McGEE OIL & GAS ONSHORE LP <u>DRILLING PROGRAM</u>





Drilling Program NBU 1022-2K1CS



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

6 of 7

DESIGN FACTORS



CASING	PROGRAM	

CONDUCTOR

SURFACE

									LTC	DQX		
SIZE	INTE	INTERVAL			GR.	CPLG.	BURST	COLLA	APSE	TENSION		
14"	0	0-40'										
							3,390	1,880	348,000	N/A		
8-5/8"	0	0 to 2,310 2		28.00	IJ-55	IJ-55 LTC		1.74	6.14	14 N/A		
							7,780	6,350	223,000	267,035		
4-1/2"	0	to	5,000	11.60	I-80	DQX	1.11	1.14		3.22		
4-1/2"	5,000	to	8,831'	11.60	I-80	LTC	1.11	1.14	6.20			

Surface Casing:

PRODUCTION

(Burst Assumptions: TD = 12.5 0.73 psi/ft = frac gradient @ surface shoe ppg)

Fracture at surface shoe with 0.1 psi/ft gas gradient above

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

Production casing:

0.64 psi/ft = bottomhole gradient (Burst Assumptions: Pressure test with 8.4ppg @ 7000 psi)

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

CEMENT PROGRAM

	FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	Г	YIELD
SURFACE LEAD	500'	Premium cmt + 2% CaCl	180	60%	15.80		1.15
Option 1		+ 0.25 pps flocele					
TOP OUT CMT (6 jobs)	1,200'	20 gals sodium silicate + Premium cmt	270	0%	15.80		1.15
		+ 2% CaCl + 0.25 pps flocele					
SURFACE		NOTE: If well will circulate water	to surface,	option 2 wi	II be utilized		
Option 2 LEAD	1,810'	65/35 Poz + 6% Gel + 10 pps gilsonite	170	35%	11.00		3.82
		+ 0.25 pps Flocele + 3% salt BWOW					
TAIL	500'	Premium cmt + 2% CaCl	150	35%	15.80		1.15
		+ 0.25 pps flocele					
TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.80		1.15
PRODUCTION LEAD	3,671'	Premium Lite II +0.25 pps	290	35%	12.00		3.38
		celloflake + 5 pps gilsonite + 10% gel					
		+ 0.5% extender					
TAIL	5,160'	50/50 Poz/G + 10% salt + 2% gel	1,220	35%	14.30		1.31
		+ 0.1% R-3					

^{*}Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE

Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe

PRODUCTION

Float shoe, 1 jt, float collar. 15 centralizers for a Mesaverde and 20 for a Blackhawk well. 1 centralizer on the first 3 joints and one every third joint thereafter.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper

Surveys will be taken at 1,000' minimum intervals.

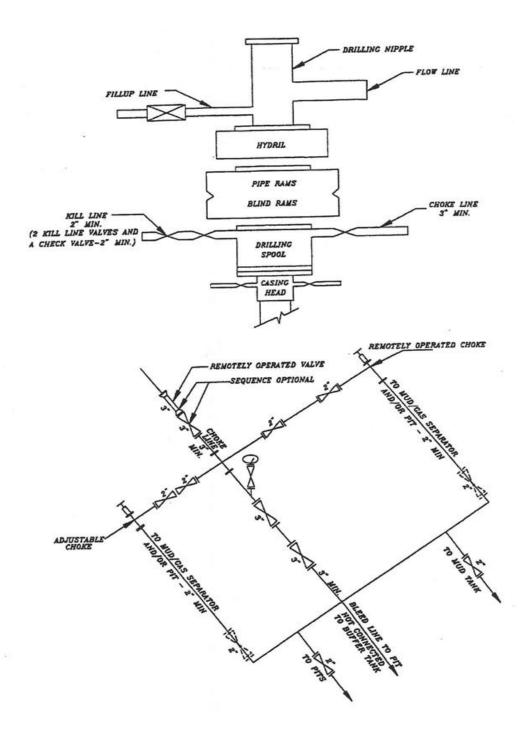
Most rigs have PVT System for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER: DATE: Nick Spence / Danny Showers / Chad Loesel DRILLING SUPERINTENDENT: DATE:

Kenny Gathings / Lovel Young

^{*}Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

EXHIBIT A
NBU 1022-2K1CS



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK

Requested Drilling Options:

Kerr-McGee will use either a closed loop drilling system that will require one pit and one cuttings storage area to be constructed on the drilling pad or a traditional drilling operation with one pit used for drilling and completion operations. The cuttings storage area will be used to contain only the de-watered drill cuttings and will be lined and bermed to prevent any liquid runoff. The drill cuttings will be buried in the completion pit once completion operations are completed according to traditional pit closure standards. The pit will be constructed to allow for completion operations. The completion operations pit will be lined with a synthetic material 20 mil or thicker and will be used for the completing of the wells on the pad or used as part of our Aandarko Completions Transportation System (ACTS). Using the closed loop drilling system will allow Kerr-McGee to decrease the amount of disturbance/footprint on location compared to a single large drilling/completions pit.

If Kerr-McGee does not use a closed loop drilling system, it will construct a traditional drilling/completions pit to contain drill cuttings and for use in completion operations. The pit will be lined with a synthetic material 20 mil or thicker. The drill cuttings will be buried in the pit using traditional pit closure standards.

RECEIVED: Mar. 06, 2012

State of Utah - Notification Form

Operator Anadarko Petroleum Rig Name/# Ensign 146 Submitted By KENT MOORE Phone Number 435- 828-0987 Well Name/Number NBU 1022-2K1CS Qtr/Qtr NW/SW Section 2 Township 10S Range 22E Lease Serial Number ST UT ML 22651 API Number 4304751776
Casing – Time casing run starts, not cementing times.
Production Casing Other
Date/Time AM DM PM RECEIVED
BOPE Initial BOPE test at surface casing point Other MAR 3 0 2012 DIV. OF OIL, GAS & MINING
Date/Time <u>3/30/12</u> <u>12:00</u> AM ⊠ PM □
Rig Move Location To:
Date/Time AM
Remarks

State of Utah - Notification Form

		<u>ım </u>	
	ie/Number <u>NBU 10</u>		620-0307
	•	2 Township 10S Rang	ge 22E
	rial Number <u>ST UT</u>	<u> </u>	
API Numi	oer _4304751776_		
<u>Casing</u> –	Time casing run st	arts, not cementing ti	imes.
	luction Casing		
Date	e/Time <u>4/3/12</u>	<u>02:00</u> AM ☑ PM	
BOPE □ Initia □ Other	al BOPE test at sur	face casing point	
			RECEIVED
Date	e/Time	AM □ PM □	APR 0 2 2012
			DIV. OF OIL, GAS & MINING
Rig Move Location	То:		
Date	e/Time AM	□ PM □	
Remarks			
		·	

Sundry Number: 24488 API Well Number: 43047517760000

	STATE OF UTAH		FORM 9				
ı	DEPARTMENT OF NATURAL RESOURCE DIVISION OF OIL, GAS, AND MIN		5.LEASE DESIGNATION AND SERIAL NUMBER: ST UT ML 22651				
SUNDR	RY NOTICES AND REPORTS (ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:				
Do not use this form for procurrent bottom-hole depth, IFOR PERMIT TO DRILL form	7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES						
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: NBU 1022-2K1CS				
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON	ISHORE, L.P.		9. API NUMBER: 43047517760000				
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th	h Street, Suite 600, Denver, CO, 80217	PHONE NUMBER: 3779 720 929-0	9. FIELD and POOL or WILDCAT: 5M&TURAL BUTTES				
4. LOCATION OF WELL FOOTAGES AT SURFACE:			COUNTY: UINTAH				
2107 FSL 0752 FWL QTR/QTR, SECTION, TOWNSH Qtr/Qtr: NWSW Section:	HIP, RANGE, MERIDIAN: 02 Township: 10.0S Range: 22.0E Merid	ian: S	STATE: UTAH				
11. CHECI	K APPROPRIATE BOXES TO INDICAT	E NATURE OF NOTICE, REPOR	RT, OR OTHER DATA				
TYPE OF SUBMISSION		TYPE OF ACTION					
	ACIDIZE	ALTER CASING	CASING REPAIR				
NOTICE OF INTENT	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME				
Approximate date work will start:	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE				
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	New construction				
Date of Work Completion.	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK				
SPUD REPORT Date of Spud:	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION				
	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON				
✓ DRILLING REPORT	L TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL				
Report Date: 4/4/2012	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION				
4/4/2012	WILDCAT WELL DETERMINATION	OTHER	OTHER:				
MIRU ROTARY R 4/2/2012. RAN 4-1/ PRODUCTION CASII HRS. DETAILS OF	COMPLETED OPERATIONS. Clearly show a RIG. FINISHED DRILLING FRO /2" 11.6# I-80 PRODUCTION NG. RELEASED ENSIGN 146 I F CEMENT JOB WILL BE INCLUI EPORT. WELL IS WAITING ON I ACTIVITIES.	M 2420' TO 8880'ON CASING. CEMENTED RIG ON 4/4/2012 @ 1:30 DED WITH THE WELL	Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY April 13, 2012				
NAME (PLEASE PRINT) Jaime Scharnowske	PHONE NUMBE 720 929-6304	R TITLE Regulartory Analyst					
SIGNATURE		DATE					
N/A		4/5/2012					

	STATE OF UTAH		FORM 9					
ı	DEPARTMENT OF NATURAL RESOURG DIVISION OF OIL, GAS, AND MI		5.LEASE DESIGNATION AND SERIAL NUMBER: ST UT ML 22651					
SUNDR	RY NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:					
Do not use this form for pro current bottom-hole depth, FOR PERMIT TO DRILL form	7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES							
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: NBU 1022-2K1CS					
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON	ISHORE, L.P.		9. API NUMBER: 43047517760000					
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th	h Street, Suite 600, Denver, CO, 8021	PHONE NUMBER: 7 3779 720 929-0	9. FIELD and POOL or WILDCAT: 5NATERAL BUTTES					
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2107 FSL 0752 FWL			COUNTY: UINTAH					
QTR/QTR, SECTION, TOWNSH	HIP, RANGE, MERIDIAN: 02 Township: 10.0S Range: 22.0E Mer	ridian: S	STATE: UTAH					
11. CHECI	K APPROPRIATE BOXES TO INDICA	TE NATURE OF NOTICE, REPOR	RT, OR OTHER DATA					
TYPE OF SUBMISSION		TYPE OF ACTION						
	ACIDIZE	ALTER CASING	CASING REPAIR					
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME					
	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE					
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION					
	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK					
SPUD REPORT	✓ PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION					
Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON					
	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL					
DRILLING REPORT Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION					
6/20/2012	WILDCAT WELL DETERMINATION	OTHER	OTHER:					
		OTHER	<u> </u>					
THE SUBJECT WELL 12:00 HOURS.	COMPLETED OPERATIONS. Clearly show WAS PLACED ON PRODUCT THE CHRONOLOGICAL WELL ED WITH THE WELL COMPLE	TION ON JUNE 20, 2012 AT _ HISTORY WILL BE						
NAME (PLEASE PRINT)	PHONE NUME							
Jaime Scharnowske	720 929-6304	Regulartory Analyst						
SIGNATURE N/A		DATE 7/6/2012						

RECEIVED: Jul. 06, 2012

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING												(hig 5. Li	AMENDED REPORT FORM 8 (highlight changes) 5. LEASE DESIGNATION AND SERIAL NUMBER: ST UT ML 22651						
WEL	L CO	MPLET	ION	OR F	RECO	MPL	ETIC	N RE	POF	T AND	LOG		6. IF	INDIAN,	ALLO	TTEE OR	TRIBE	NAME	
1a. TYPE OF WELL		O[I WE]	GAS WELL Z		DRY [ОТН	ER			1 .	NIT or CA		EEMENT N	AME	, , , , , , , , , , , , , , , , , , ,	
b. TYPE OF WORK: NEW MORIZ. DEEP- RE- ENTRY RESVR. OTHER											8. V	ELL NA	IE and	NUMBER 2-2K1C		/			
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE, L.P.												PI NUMB 43047		76					
3. ADDRESS OF OPERATOR: P.O.BOX 173779 CITY DENVER STATE CO ZIP 80217 (720) 929-6000										10 F	IELD AND	P00	L, OR WILL L BUT						
4. LOCATION OF W AT SURFACE:		AGES)		-				-		<u></u>			11.	QTR/QTR MERIDIAI	R, SEC N:	TION, TOV	VNSHII	P, RANGE,	
					·	·		407 E	A/I 00	T400 D	NOOF		NI	NSW	2	108	22	2E	
AT TOP PRODU								_					12	COUNTY			13	STATE	
AT TOTAL DEPT								E E	SHL	by H	Met			JINTA	H			UT	ГАН
14. DATE SPUDDEI 2/14/2012	D:	15. DATE T. 4/2/20		HED:	16. DATE 6/20	COMPL 1/2012		A	BANDON	ED 🔲	READY TO PF	RODUC	E 🗸		049	ONS (DF, R GL	KB, RT	`, GL):	
18. TOTAL DEPTH:	MD 8	•	1	9. PLUG	BACK T.D		8,820 8,571		20. IF 1	MULTIPLE CO	OMPLETIONS,	HOWN	MANY?*	21. DEF Pl	TH BF .UG SI	ET:	MD TVD		
22. TYPE ELECTRI			ICAL LO	3S RUN (Submit cop					23.	· ··· · · · · · · · · · · · · · · · ·								
CBL/GR/CC	L/TEM	Р								WAS DST	L CORED? RUN? NAL SURVEY?	•		NO YES (Submit analysis) NO YES (Submit report) NO YES (Submit copy)					
24. CASING AND L	INER RECO	ORD (Report a	ali strings	s set in w	eli)														
HOLE SIZE	SIZE/G	RADE	WEIGHT	(#/ft.)	TOP (MD)	вотто	M (MD)		EMENTER PTH	CEMENT TY NO. OF SAC			SLURRY VOLUME (BBL) CEMENT TOP			**	AMOUNT PU	JLLED
20"	14"	STL	36.7		0		4	0				28		<u> </u>					
11"	8 5/8"	IJ-55	28		0		<u> </u>	110			·	675				0			
7 7/8"	4 1/2"	1-80	11.6	O#	0		8,8	365			· · · · · ·	1,484	·····		 	120			
										<u></u>					┼╌		-+		
											ļ				 		_		
25. TUBING RECO	RD																		
SIZE		H SET (MD)	PACK	ER SET (MD)	SIZE		DEPTH	SET (MD)	PACKE	R SET (MD)		SIZE		DEPTH	SET (MD)	Р	ACKER SET	(MD)
2 3/8"		,414	1						I	97. DEDEC	DA TION DEGG								
26. PRODUCING IN		TOP	(MD)	BOTTO	OM (MD)	TOP	(TVD)	вотто	M (TVD)		RATION RECO		SIZE	NO. HO	IES I	PERI	ORAT	ION STATU	s
(A) MESAVE			338	-	636					6,838	8.6		0.36	20		Open 🗸		ueezed	<u> </u>
(B)										-,	-,-				_	Open		ueezed	-
(C)		+					······································	<u> </u>		* *						Open	So	queezed	ī
(D)			·					 				十			7	Open	So	queezed	-
28. ACID, FRACTU	RE, TREAT	MENT, CEME	NT SQUI	EEZE, ET	С.		.·	L						L.		103	i e	FIVER	 -
DEPTH	INTERVAL		l						AM	T DUNT AND	YPE OF MATE	RIAL				3.4			<u> </u>
6838-8636			PUN	/IP 83	95 BBL	S SL	ICK H	20 & 1	66.49	0 LBS 3	0/50 OTT	ΓAW/	A SAN	1D		AU	<u>3 1</u>	4 2012	,
			 	AGE															
																DIV. OF	OIL, C	ANN & BAE	AING
29. ENCLOSED AT	TACHMEN	TS:														30. V	ELL S	STATUS:	
		CHANICAL LO		CEMENT	VERIFICA	TION		GEOLOGI CORE AN		=	DST REPORT	Z	DIREC	TIONAL	SURV	EY	Р	ROD	

24	LAITHAL	DDOD	ICTION
31.	INLIIAL	PRUD	JL: HUN

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:	TEST DATE:		HOURS TESTED:		N OIL - BBL:	GAS MCF:	WATER - BBL:	PROD. METHOD:
6/20/2012 6/24/2012			24		0	3,256	336			
CHOKE SIZE: 20/64	TBG. PRESS. 1,759	CSG. PRESS. 2,132	API GRA	VITY BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF: 3,256	WATER - BBL: 336	INTERVAL STATUS PROD
		·····		IN'	ERVAL B (As sho	wn in item #26)				
DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTE	HOURS TESTED:		OIL – BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG, PRESS.	CSG. PRESS.	API GRAY	VITY BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	N OIL - BBL:	GAS MCF:	WATER - BBL:	INTERVAL STATUS
·	•		····	in'	TERVAL C (As sho	wn in Item #26)			····	·····
DATE FIRST PF	ATE FIRST PRODUCED: TEST DATE:		HOURS TESTE	D:	TEST PRODUCTION RATES: →	OIL BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:	
CHOKE SIZE:	TBG, PRESS.	CSG. PRESS.	API GRA	VITY BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	N OIL - BBL:	GAS MCF:	WATER - BBL:	INTERVAL STATUS
				IN'	TERVAL D (As sho	wn in item #26)				
DATE FIRST PF	RODUCED:	TEST DATE:		HOURS TESTE	D:	TEST PRODUCTION RATES: →	OIL BBL:	GAS MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRA	VITY BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	N OIL - BBL:	GAS - MCF:	WATER BBL:	INTERVAL STATUS
32. DISPOSITIO	ON OF GAS (Sold	, Used for Fuel,	Vented, Etc.)					· · · · · · · · · · · · · · · · · · ·	-	
33. SUMMARY OF POROUS ZONES (include Aquifers):							34. FORMATION	(Log) MARKERS:	·	
	ant zones of poros used, time tool op			intervals and all drill-ster es and recoveries.	m tests, including de	epth interval				
Formation Top (MD)			Bottom (MD) Descriptions, Conf		otions, Contents, etc	.	Name		Top (Measured Depth)	
							GREEN R BIRD'S NE MAHOGAI	EST		1,100 1,391 1,795

35. ADDITIONAL REMARKS (include plugging procedure)

The first 210' of the surface hole was drilled with a 12 ¼" bit. The remainder of surface hole was drilled with an 11" bit. DQX csg was run from surface to 5042'; LTC csg was run from 5042' to 8865'. Attached is the chronological well history, perforation report & final survey.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.							
NAME (PLEASE PRINT) CARA MAHLER	TITLE REGULATORY ANALYST						
SIGNATURE	DATE 8/8/2012_						

This report must be submitted within 30 days of

- completing or plugging a new well
- · drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- · significantly deepening an existing well bore below the previous bottom-hole depth

WASATCH MESAVERDE 4,430

6,586

• drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

** ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to:

Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

^{*} ITEM 20: Show the number of completions if production is measured separately from two or more formations.

Project: UTAH - UTM (feet), NAD27, Zone 12N Site: UINTAH_NBU 1022-2L PAD FORMATION TOP DETAILS Well: NBU 1022-2K1CS TVDPath 4176.00 Formation WASATCH MDPath Wellbore: NBU 1022-2K1CS 4410.06 4776.00 4780.00 6456.00 5016.32 5020.32 top of cylinder interception Section: SHL: 6696 35 MESAVERDE NBU 1022-2K1CS Design: SEGO Latitude: 39.976525 Longitude: -109.413316 GL: 5049.00 KB: 14' RKB + 5049' GL @ 5063.00ft WELL DETAILS: NBU 1022-2K1CS CASING DETAILS Magnetic Field Strength: 52255,4snT Ground Level: Easting 2084942.86 5049.00 Latittude TVD 2291.50 MD 2396.05 Name Size 8-5/8" 8-5/8 +N/-S +E/-W Northing 14521451.39 Longitude -109.413316 Slot Dip Angle: 65.85° Date: 3/6/2012 Model: IGRF2010 0.00 39.976525 0.00 DESIGN TARGET DETAILS Name TVD 4780.00 +N/-S 145.98 +E/-W Northing Easting 2086317.75 Latitude Longitude Shape interception (NBU 1022-2K1CS) drillers target (NBU 1022-2K1CS) NBU 1022-2K1CS BHL 1377.71 14521621.87 39.976926 -109.408399 Point 4846.00 146.06 1378.47 14521621.96 2086318.51 39.976926 -109 408397 Circle (Radius: 15.00) Circle (Radius: 25.00) 1388,47 14521602.13 2086328.87 39.976871 -109.408361 SECTION DETAILS MD Inc 21.37 TFace Azi 86.09 TVD +N/-S +E/-W Dleg 0.00 VSect 588.06 2366.00 2263.52 584.38 0.00 67.16 2516.00 21.37 86.09 2403.21 70.88 638.91 0.00 0.00 642.70 2550.82 21.34 84.18 2435.64 71.96 651.54 2.00 -93.74 655.38 4019.55 21.34 84.18 3803.71 126.15 1183.15 0.00 0.00 1189.71 0.00 0.00 153.43 2.00 5086.32 4846.00 146.06 1378.47 180.00 1386.03 5201.07 4960.75 145.75 1378.62 1386.16 153.43 8866.39 0.34 153.43 8626.00 126.06 0.00 0.00 1394.19 1388.47 0 00 1200 50 750 1000 15 1500 800 drillers target (NBU 1022-2K10 8-5/8 NBU 1022-2E4CS (wp01 2250 NBU 1022-2K1CS BH 600 interception (NBU 1022-2K1C\$) NBU 1022-2K1CS (Wp0 8-5/8" 3000 21 Frue Vertical Depth (1500 ft/in) NBU 1022-2K1C 400 2000 NBU 1022-2L1BS (wp01 3750 South(-)/North(+ 8-5/8" 200 interception (NBU 1022-2K1CS) 4500 8-5/8* 000 drillers target (NBU 1022-2K1CS) 8-5/8" 3000 5250 1000 NBU 1022-2L1CS (wp01 -200 NBU 217-2 offer 6000 8-5/8" NBU 1022-2K4B9 (wp0) -400 6750 NBU 1022-2L4BS (wp0 -600 7500 -800 NBU 1022-2K1CS 8250 NBU 1022-2K1CS BHL NBU 1022-2K1CS -1000 -1500 750 1500 2250 3000 400 600 800 1000 1200 1400 200

West(-)/East(+)

Vertical Section at 84.81° (1500 ft/in)

US ROCKIES REGION PLANNING

UTAH - UTM (feet), NAD27, Zone 12N UINTAH_NBU 1022-2L PAD NBU 1022-2K1CS

NBU 1022-2K1CS

Design: NBU 1022-2K1CS

Standard Survey Report

30 July, 2012

Survey Report

TVD Reference:

Database:

Company: **US ROCKIES REGION PLANNING** Project: UTAH - UTM (feet), NAD27, Zone 12N

NBU 1022-2K1CS

Site: NBU 1022-2K1CS Well: Wellbore: NBU 1022-2K1CS

UINTAH_NBU 1022-2L PAD **MD** Reference: North Reference:

Survey Calculation Method:

Local Co-ordinate Reference:

Well NBU 1022-2K1CS

14' RKB + 5049' GL @ 5063,00ft 14' RKB + 5049' GL @ 5063.00ft

True

Minimum Curvature

edmp

UTAH - UTM (feet), NAD27, Zone 12N Project

Map System: Geo Datum:

Map Zone:

Well

Design:

Universal Transverse Mercator (US Survey Feet)

NAD 1927 (NADCON CONUS) Zone 12N (114 W to 108 W)

System Datum:

Mean Sea Level

UINTAH_NBU 1022-2L PAD Site

Site Position: From: Lat/Long

Easting: 0.00 ft Slot Radius:

Northing:

14,521,421.58 usft 2,084,945.63 usft 13-3/16 "

Latitude: Longitude: **Grid Convergence:**

39.976443 -109.413308 1.02°

Position Uncertainty:

NBU 1022-2K1CS

+N/-S 0.00 ft +F/-W

Northing: 0.00 ft Easting:

14.521.451.40 usft 2,084,942.86 usft

Latitude: Longitude:

39.976525 -109.413316

Position Uncertainty

Well Position

0.00 ft

Wellhead Elevation:

ft

Ground Level:

5,049.00 ft

NBU 1022-2K1CS Wellbore Magnetics **Model Name** Sample Date Declination Dip Angle Field Strength (nT) (°) (°) IGRF2010 3/6/2012 10.94 65.85 52.255

Design NBU 1022-2K1CS

Audit Notes:

Version: 1.0 Phase:

ACTUAL

Tie On Depth:

10,00

84.81

Vertical Section: Depth From (TVD) +N/-S +E/-W Direction

(ft) (°) 10.00 0.00 0.00

7/30/2012 Survey Program From To Survey (Wellbore) (ft) (ft) **Tool Name** Description 188.00 2,366.00 Survey #1 (NBU 1022-2K1CS) MWD MWD - STANDARD 2,443.00 8,880.00 Survey #2 (NBU 1022-2K1CS) MWD MWD - STANDARD

Measured			Vertical			Vertical	Dogleg	Build	Turn
Depth (ft)	inclination (°)	Azimuth (°)	Depth (ft)	+N/-S (ft)	+E/-W (ft)	Section (ft)	Rate (°/100usft)	Rate (°/100usft)	Rate (°/100usft)
10.00	0.00	0.00	10.00	0.00	0.00	0.00	0.00	0.00	0.00
188.00	0.00	244,47	188.00	0.00	0.00	0.00	0.00	0.00	0.00
274.00	1.29	77.13	273.99	0.22	0.94	0.96	1.50	1.50	0.00
356.00	3.02	78.52	355.93	0.85	3.96	4.02	2.11	2.11	1.70
446.00	4.66	81.79	445.73	1.85	9.90	10.03	1.84	1.82	3.63
536.00	5.98	84.78	535.34	2.79	18.19	18.37	1.50	1.47	3.32
626,00	6.85	84.84	624.77	3.70	28.20	28,42	0.97	0.97	0.07
716.00	8.18	83.03	714.00	4.96	39.91	40.19	1.50	1.48	-2.01
806.00	9.76	82.84	802.89	6.69	53.83	54,22	1.76	1.76	-0.21
896.00	11.70	82.23	891.32	8.88	70.44	70.96	2.16	2.16	-0.68

Survey Report

Company:

US ROCKIES REGION PLANNING

Project:

UTAH - UTM (feet), NAD27, Zone 12N

Site:

UINTAH_NBU 1022-2L PAD

Well: Wellbore: NBU 1022-2K1CS

Design:

NBU 1022-2K1CS NBU 1022-2K1CS Local Co-ordinate Reference:

TVD Reference:

MD Reference:

North Reference: Survey Calculation Method:

Database:

Well NBU 1022-2K1CS

14' RKB + 5049' GL @ 5063.00ft

14' RKB + 5049' GL @ 5063.00ft

Minimum Curvature

edmp

Measured			Vertical			Vertical	Dogleg	Bulld	Turn
Measured Depth	Inclination	Azimuth	veruca: Depth	+N/-S	+E/-W	Section	Pogleg Rate	Build Rate	turn Rate
(ft)	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(°/100usft)	(°/100usft)	(°/100usft)
986.00	12.62	83.86	979.30	11.16	89.26	89.90	1.09	1.02	1.81
1,076,00	13.91	81.30	1,066.89	13.85			1.09	1.02	
•			•		109.73	110.53			-2.84
1,166.00	15.74	82.32	1,153.89	17.12	132.52	133.53	2.05	2.03	1.13
1,256.00	17.67	83.72	1,240.09	20.24	158.20	159.38	2.19	2.14	1.56
1,346.00	20,93	84.07	1,325.02	23.40	187.78	189.12	3.62	3.62	0.39
1,436.00	23.57	81.79	1,408.32	27.63	221.58	223.17	3.09	2.93	-2.53
1,526.00	21.90	83,55	1, 4 91.32	32.09	256.07	257.92	2.00	-1.86	1.96
1,616.00	22.95	84.51	1,574 <i>.</i> 51	35.65	290.22	292.25	1.24	1.17	1.07
1,706.00	23.57	83,63	1,657 <i>.</i> 20	39.32	325,57	327.79	0.79	0.69	-0.98
1,796.00	23.74	82.14	1,739.64	43.80	361.40	363,88	0.69	0.19	-1.66
1,886.00	24.45	81.00	1,821.80	49.19	397.74	400.56	0.94	0.79	-1.27
1,976.00	24.09	82,40	1,903.84	54.53	434.34	437.49	0.75	-0.40	1.56
2,066.00	23.88	83.84	1,986.07	58.92	470.66	474.06	0.69	-0.23	1.60
2,156.00	23.04	85.30	2,068.63	62.31	506.33	509.89	1.13	-0.93	1.62
2,246.00	21.63	86.89	2,151.88	64.66	540.44	544.08	1.70	-1.57	1.77
2,336.00	21.46	86.80	2,235.59	66.48	573.45	577.11	0.19	-0.19	-0.10
2.366.00	21,37	86.09	2,263,52	67.16	584,38	588.06	0.91	-0.30	-2.37
2,443.00	21.15	83.81	2.335.28	69.61	612.18	615.97	1,11	-0.29	-2.96
2,533.00	22,11	83,40	2,418.94	73,31	645.15	649.14	1.08	1.07	-0,46
2,624.00	21.63	84.73	2,503.39	76.82	678.87	683,03	0.76	-0.53	1.46
2,715,00	21.56	84.86	2,588,01	79.86	712,22	716.52	0.09	-0.08	0.14
2,805.00	22.50	85.98	2,671,43	82.54	745.87	750.28	1.14	1.04	1.24
2,896.00	24.00	86.86	2,755.04	84.78	781.72	786,18	1.69	1.65	0.97
2,987.00	24.31	88.73	2,838.08	86.21	818.92	823.37	0.91	0.34	2.05
3,077.00	24.50	87.61	2,920.03	87.40	856.09	860.49	0.56	0.21	-1.24
3,168.00	23.94	84.98	3,003.03	89.80	893.34	897,80	1.34	-0.62	-2.89
3,259.00	23.63	83.86	3,003.03	93.37	929.86	934.50	0.60	-0.62	-1.23
3,259.00	23.69	83.61	•	93.3 <i>1</i> 97.31	929.86 965.76	934.50 970.61	0.60	-0.34 0.07	-1.23
			3,168.73						
3,440.00 3,531.00	23.50 23.50	82.86 83.86	3,252.12 3,335.58	101.60 105.79	1,00 1 .93 1,037.98	1,007.02 1,043.29	0.39 0.44	-0.21 0.00	-0.82 1.10
,		20.05	·		,	,			
3,622.00	22.31	83,36	3,419.40	109.73	1,073.17	1,078.70	1.33	-1.31	-0.55
3,712.00	21.19	83.23	3,502.99	113.62	1,106.29	1,112.04	1.25	-1.24	-0.14
3,803.00	20.69	85.11	3,587.98	116.93	1,138.64	1,144.55	0.92	-0.55	2.07
3,894.00	19.88	85.23	3,673.34	119.59	1,170.08	1,176.10	0.89	-0.89	0.13
3,984.00	18.81	81.98	3,758.26	122.89	1,199.70	1,205.90	1.69	-1.19	-3.61
4,075.00	18.31	80.86	3,844.53	127.20	1,228.34	1,234.81	0.67	-0.55	-1.23
4,165.00	17.13	80.36	3,930.25	131.67	1,255.36	1,262.13	1.32	-1.31	-0.56
4,256.00	15.44	81.98	4,017.60	135.60	1,280.57	1,287.59	1.92	-1.86	1.78
4,347.00	13.31	84.48	4,105.75	138.30	1,303.00	1,310.17	2.44	-2.34	2.75
4,438.00	11.81	84.48	4,194.57	140.20	1,322.70	1,329.95	1.65	-1.65	0.00
4,528.00	10,19	81.11	4,282.91	142.32	1,339.73	1,347.11	1.94	-1.80	-3.74
4,619.00	8.88	80,23	4,372.65	144.76	1,354.60	1,362.14	1.45	-1.44	-0.97
4,709.00	7.06	84.98	4,461.78	146.42	1,366.96	1,374.60	2.15	-2.02	5.28

Survey Report

Company: US ROCKIES REGION PLANNING
Project: UTAH - UTM (feet), NAD27, Zone 12N

Site: UINTAH_NBU 1022-2L PAD

Well: NBU 1022-2K1CS
Wellbore: NBU 1022-2K1CS
Design: NBU 1022-2K1CS

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Database:

Well NBU 1022-2K1CS

14' RKB + 5049' GL @ 5063.00ft 14' RKB + 5049' GL @ 5063.00ft

True

Minimum Curvature

edmp

	15.49 4.63 2.50 1.00 0.19 0.25 0.13 0.06 0.13 0.31 0.50 0.50 0.50	88.76 76.86 97.11 91.48 171.86 158.73 127.11 165.23 116.11 157.73 152.73 165.11	Depth (ft) 4,552.23 4,642.88 4,732.70 4,823.66 4,914.65 5,004.65 5,095.65 5,185.65 5,276.65 5,367.65 5,457.65 5,548.65	+N/-S (ft) 147.00 147.93 148.52 148.25 148.08 147.75 147.50 147.39 147.30 147.16 146.85	1,376.88 1,384.81 1,390.30 1,393.06 1,393.88 1,393.97 1,394.12 1,394.22 1,394.32	1,384.54 1,392.52 1,398.03 1,400.76 1,401.56 1,401.62 1,401.75	Rate (*/100usft) 1.78 1.49 2.71 1.66 1.08 0.09 0.17	Rate (*/100usft) -1.73 -0.95 -2.37 -1.65 -0.89 0.07 -0.13	Rate (*/100usft) 4.15 -13.08 22.50 -6.19 88.33 -14.59 -34.75
4,891.00 4,981.00 5,072.00 5,163.00 5,253.00 5,344.00 5,434.00 5,525.00 5,616.00 5,706.00 5,797.00 5,888.00 5,978.00 6,069.00 6,160.00 6,250.00 6,341.00 6,432.00 6,522.00 6,613.00 6,703.00 6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,610.00 7,701.00 7,791.00 7,882.00	4.63 2.50 1.00 0.19 0.25 0.13 0.06 0.13 0.31 0.31 0.50 0.50 0.44	76.86 97.11 91.48 171.86 158.73 127.11 165.23 116.11 157.73 152.73 165.11	4,642.88 4,732.70 4,823.66 4,914.65 5,004.65 5,095.65 5,185.65 5,276.65 5,367.65 5,457.65	147.93 148.52 148.25 148.08 147.75 147.50 147.39 147.30 147.16	1,384.81 1,390.30 1,393.06 1,393.88 1,393.97 1,394.12 1,394.22	1,392.52 1,398.03 1,400.76 1,401.56 1,401.62 1,401.75 1,401.83	1.49 2.71 1.66 1.08 0.09 0.17	-0.95 -2.37 -1.65 -0.89 0.07 -0.13	-13.08 22.50 -6.19 88.33 -14.59 -34.75
4,981.00 5,072.00 5,163.00 5,253.00 5,344.00 5,434.00 5,525.00 5,616.00 5,706.00 5,797.00 5,888.00 6,069.00 6,160.00 6,250.00 6,341.00 6,432.00 6,522.00 6,613.00 6,703.00 6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,610.00 7,791.00 7,791.00 7,882.00	2.50 1.00 0.19 0.25 0.13 0.06 0.13 0.31 0.31 0.50 0.50 0.44	97.11 91.48 171.86 158.73 127.11 165.23 116.11 157.73 152.73 165.11	4,642.88 4,732.70 4,823.66 4,914.65 5,004.65 5,095.65 5,185.65 5,276.65 5,367.65 5,457.65	148.52 148.25 148.08 147.75 147.50 147.39 147.30 147.16	1,384.81 1,390.30 1,393.06 1,393.88 1,393.97 1,394.12 1,394.22	1,392.52 1,398.03 1,400.76 1,401.56 1,401.62 1,401.75 1,401.83	2.71 1.66 1.08 0.09 0.17	-2.37 -1.65 -0.89 0.07 -0.13	-13.08 22.50 -6.19 88.33 -14.59 -34.75
5,072.00 5,163.00 5,253.00 5,344.00 5,344.00 5,525.00 5,616.00 5,706.00 5,797.00 5,888.00 5,978.00 6,069.00 6,160.00 6,250.00 6,341.00 6,432.00 6,522.00 6,613.00 6,703.00 6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,701.00 7,791.00 7,791.00 7,882.00	1.00 0.19 0.25 0.13 0.06 0.13 0.31 0.31 0.50 0.50 0.44	91.48 171.86 158.73 127.11 165.23 116.11 157.73 152.73 165.11	4,823.66 4,914.65 5,004.65 5,095.65 5,185.65 5,276.65 5,367.65 5,457.65	148.25 148.08 147.75 147.50 147.39 147.30 147.16	1,393.06 1,393.88 1,393.97 1,394.12 1,394.22	1,400.76 1,401.56 1,401.62 1,401.75 1,401.83	1.66 1.08 0.09 0.17	-1.65 -0.89 0.07 -0.13	-6.19 88.33 -14.59 -34.75
5,163.00 5,253.00 5,344.00 5,434.00 5,525.00 5,616.00 5,706.00 5,797.00 5,888.00 5,978.00 6,069.00 6,160.00 6,250.00 6,341.00 6,432.00 6,522.00 6,613.00 6,703.00 6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,610.00 7,791.00 7,791.00 7,882.00	0.19 0.25 0.13 0.06 0.13 0.31 0.31 0.50 0.50 0.44	171.86 158.73 127.11 165.23 116.11 157.73 152.73 165.11	4,914.65 5,004.65 5,095.65 5,185.65 5,276.65 5,367.65 5,457.65	148.08 147.75 147.50 147.39 147.30 147.16	1,393.88 1,393.97 1,394.12 1,394.22	1,401.56 1,401.62 1,401.75 1,401.83	1.08 0.09 0.17	-0.89 0.07 -0.13	88.33 -14.59 -34.75
5,253.00 5,344.00 5,434.00 5,525.00 5,616.00 5,706.00 5,797.00 5,888.00 5,978.00 6,069.00 6,160.00 6,250.00 6,341.00 6,432.00 6,522.00 6,613.00 6,703.00 6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,610.00 7,701.00 7,791.00 7,882.00	0.25 0.13 0.06 0.13 0.13 0.31 0.50 0.50 0.44	158.73 127.11 165.23 116.11 157.73 152.73 165.11	5,004.65 5,095.65 5,185.65 5,276.65 5,367.65 5,457.65	147.75 147.50 147.39 147.30 147.16	1,393.97 1,394.12 1,394.22	1,401.62 1,401.75 1,401.83	0.09 0.17	0.07 -0.13	-14.59 -34.75
5,344.00 5,434.00 5,434.00 5,525.00 5,616.00 5,706.00 5,797.00 5,888.00 5,978.00 6,069.00 6,160.00 6,250.00 6,341.00 6,432.00 6,522.00 6,613.00 6,703.00 6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,610.00 7,701.00 7,791.00 7,882.00	0.13 0.06 0.13 0.13 0.31 0.31 0.50 0.50 0.44	127.11 165.23 116.11 157.73 152.73 165.11	5,095.65 5,185.65 5,276.65 5,367.65 5,457.65	147.50 147.39 147.30 147.16	1,394.12 1,394.22	1,401.75 1,401.83	0.17	-0.13	-34.75
5,434.00 5,525.00 5,616.00 5,706.00 5,797.00 5,888.00 5,978.00 6,069.00 6,160.00 6,250.00 6,341.00 6,432.00 6,522.00 6,613.00 6,703.00 6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,610.00 7,791.00 7,791.00 7,882.00	0.06 0.13 0.13 0.31 0.31 0.50 0.50 0.44	165.23 116.11 157.73 152.73 165.11	5,185.65 5,276.65 5,367.65 5,457.65	147.39 147.30 147.16	1,394.22	1,401.83			
5,525.00 5,616.00 5,706.00 5,706.00 5,797.00 5,888.00 5,978.00 6,069.00 6,160.00 6,250.00 6,341.00 6,432.00 6,522.00 6,613.00 6,703.00 6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,701.00 7,791.00 7,882.00	0.13 0.13 0.31 0.31 0.50 0.50 0.44	116.11 157.73 152.73 165.11	5,276.65 5,367.65 5,457.65	147.30 147.16		•	0.10	0.00	
5,616.00 5,706.00 5,797.00 5,888.00 5,978.00 6,069.00 6,160.00 6,250.00 6,341.00 6,432.00 6,522.00 6,613.00 6,703.00 6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,701.00 7,791.00 7,882.00	0.13 0.31 0.31 0.50 0.50 0.44	157.73 152.73 165.11 171.61	5,367.65 5,457.65	147,16	1,394.32	4 4		-0.08	42.36
5,706.00 5,797.00 5,888.00 5,978.00 6,069.00 6,160.00 6,250.00 6,341.00 6,432.00 6,522.00 6,613.00 6,703.00 6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,610.00 7,701.00 7,791.00 7,882.00	0.31 0.31 0.50 0.50 0.44	152.73 165.11 171.61	5,457.65			1,401.93	0.11	80.0	-53,98
5,797.00 5,888.00 5,978.00 6,069.00 6,160.00 6,250.00 6,341.00 6,432.00 6,522.00 6,613.00 6,703.00 6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,610.00 7,701.00 7,791.00 7,882.00	0.31 0.50 0.50 0.44	165.11 171.61	·	1/6 95	1,394.45	1,402.05	0.10	0.00	45.74
5,888.00 5,978.00 6,069.00 6,160.00 6,250.00 6,341.00 6,432.00 6,522.00 6,613.00 6,703.00 6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,610.00 7,701.00 7,791.00 7,882.00	0.50 0.50 0.44	171.61	5,548.65	140.00	1,394.61	1,402.17	0.20	0.20	-5.56
5,978.00 6,069.00 6,160.00 6,250.00 6,341.00 6,432.00 6,522.00 6,613.00 6,703.00 6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,610.00 7,701.00 7,791.00 7,882.00	0.50 0.44			146.39	1,394.78	1,402.30	0.07	0.00	13.60
6,069.00 6,160.00 6,250.00 6,250.00 6,341.00 6,432.00 6,522.00 6,613.00 6,703.00 6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,610.00 7,701.00 7,791.00 7,882.00	0.44	171 11	5,639.65	145.76	1,394.90	1,402.37	0.21	0.21	7.14
6,160.00 6,250.00 6,341.00 6,432.00 6,522.00 6,613.00 6,703.00 6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,610.00 7,701.00 7,791.00 7,882.00			5,729.64	144.99	1,395.02	1,402,42	0.00	0.00	-0.56
6,250.00 6,341.00 6,432.00 6,522.00 6,613.00 6,703.00 6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,610.00 7,701.00 7,791.00 7,882.00	0.56	163.98	5,820.64	144.26	1,395.18	1,402.51	0.09	-0.07	-7.84
6,341.00 6,432.00 6,522.00 6,613.00 6,703.00 6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,610.00 7,701.00 7,791.00 7,882.00		158.73	5,911.6 4	143.51	1,395.44	1,402.70	0.14	0.13	-5.77
6,432.00 6,522.00 6,613.00 6,703.00 6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,610.00 7,701.00 7,791.00 7,882.00	0.75	178.86	6,001.63	142.51	1,395.61	1,402.78	0.33	0.21	22.37
6,522.00 6,613.00 6,703.00 6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,610.00 7,701.00 7,791.00 7,882.00	1.06	176.61	6,092.62	141.07	1,395.67	1,402.71	0.34	0.34	-2.47
6,613.00 6,703.00 6,703.00 6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,610.00 7,701.00 7,791.00 7,882.00	0.19	208.61	6,183.61	140.10	1,395.65	1,402.60	0.99	-0.96	35.16
6,703.00 6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,610.00 7,701.00 7,791.00 7,882.00	1.13	300.86	6,273.61	140.43	1,394.81	1,401.80	1.28	1.04	102.50
6,794.00 6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,610.00 7,701.00 7,791.00 7,882.00	88.0	306.13	6,364,59	141.30	1,393.48	1,400.55	0.29	-0.27	5.79
6,884.00 6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,610.00 7,701.00 7,791.00 7,882.00	2.44	287.48	6,454.55	142.28	1,391.09	1,398.26	1.81	1.73	-20.72
6,975.00 7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,610.00 7,701.00 7,791.00 7,882.00	2.13	281.48	6,545.48	143.20	1,387.59	1,394.85	0.43	-0.34	-6.59
7,066.00 7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,610.00 7,701.00 7,791.00 7,882.00	1.81	280.48	6,635.43	143.79	1,384.55	1,391,88	0,36	-0.36	-1.11
7,157.00 7,247.00 7,338.00 7,429.00 7,519.00 7,610.00 7,701.00 7,791.00 7,882.00	1.63	266.11	6,726.39	143.96	1,381.85	1,389.20	0.51	-0.20	-15.79
7,247.00 7,338.00 7,429.00 7,519.00 7,610.00 7,701.00 7,791.00 7,882.00	1.56	255.11	6,817.35	143.56	1,379.36	1,386.69	0.34	-0.08	-12.09
7,338.00 7,429.00 7,519.00 7,610.00 7,701.00 7,791.00 7,882.00	1.38	246.48	6,908.32	142.80	1,377.16	1,384.43	0.31	-0.20	-9.48
7,429.00 7,519.00 7,610.00 7,701.00 7,791.00 7,882.00	1.38	237.98	6,998.30	141.80	1,375.24	1,382.43	0.23	0.00	-9.44
7,519.00 7,610.00 7,701.00 7,791.00 7,882.00	1.31	235.48	7,089.27	140.63	1,373.46	1,380.55	0.10	-0.08	-2.75
7,610.00 7,701.00 7,791.00 7,882.00	1.31	219.86	7,180.25	139.24	1,371.93	1,378.90	0.39	0.00	-17.16
7,701.00 7,791.00 7,882.00	1.31	213.98	7,270.22	137.59	1,370.70	1,377.53	0.15	0.00	-6.53
7,791.00 7,882.00	1.25	203.48	7,361.20	135.82	1,369.72	1,376.39	0.27	-0.07	-11.54
7,882.00	1.25	197.61	7,452.18	133.97	1,369.03	1,375.53	0.14	0.00	-6.45
	1.44	181.73	7,542.16	131.90	1,368.70	1,375.02	0.46	0.21	-17.64
	1.50	184.36	7,633.13	129.57	1,368.57	1,374.68	0.10	0.07	2.89
	1.50	181.23	7,723.10	127.22	1,368.46	1,374.35	0.09	0.00	-3.48
8,063.00	1.63	184.11	7,814.06	124.73	1,368.34	1,374.01	0.17	0.14	3.16
8,153.00	1.75	182.61	7,904.02	122.09	1,368.18	1,373.62	0.14	0.13	-1.67
8,244.00		180.23	7,994.98	119.16	1,368.11	1,373.28	0.23	0.21	-2.62
8,335.00	1.94	160.73	8,085.92	116.07	1,368.65	1,373.54	0.76	0,13	-21.43
8,425.00	1.94 2.06	146.61	8,175.86	113.23	1,370.05	1,374.67	0.56	-0.07	-15.69
8,516.00	1.94	141.86	8,266.81	110.73	1,371.84	1,376.23	0.22	-0.13	-5.22

Survey Report

Company:

US ROCKIES REGION PLANNING

Project:

UTAH - UTM (feet), NAD27, Zone 12N

Site:

UINTAH_NBU 1022-2L PAD

Well: Wellbore: NBU 1022-2K1CS NBU 1022-2K1CS Local Co-ordinate Reference:

Well NBU 1022-2K1CS

TVD Reference:

Database:

MD Reference:

14' RKB + 5049' GL @ 5063.00ft 14' RKB + 5049' GL @ 5063.00ft

North Reference:

Survey Calculation Method:

True Minimum Curvature edmp

Design: NBU 1022-2K1CS

Measured			Vertical			Vertical	Dogleg	Build	Turn
Depth	Inclination	Azimuth	Depth	+N/-S	+E/-W	Section	Rate	Rate	Rate
(ft)	(°)	(*)	(ft)	(ft)	(ft)	(ft)	(°/100usft)	(°/100usft)	(°/100usft)
8,697.00	1.69	148.23	8,447.73	106.40	1,375.19	1,379.18	0.28	0.00	9.58
8,830.00	1,69	155,60	8,580.67	102.95	1,377.03	1,380.70	0.16	0.00	5.54
LAST SVY									
8,880,00	1.69	155,60	8,630,65	101.60	1,377,64	1,381,19	0.00	0.00	0.00

Design Annotations Measured Depth (ft)	Vertical Depth (ft)	Local Coord +N/-S	inates +E/-W	Comment
8,830.00 8,880.00	8,580.67 8,630.65	(ft) 102.95 101.60	(ft) 1,377.03 1,377.64	LAST SVY PROJECTION TO TD

Checked By:	Approved By:	Date:
Checked by.	Approved by:	Date.

US ROCKIES REGION PLANNING

UTAH - UTM (feet), NAD27, Zone 12N UINTAH_NBU 1022-2L PAD NBU 1022-2K1CS

NBU 1022-2K1CS

Design: NBU 1022-2K1CS

Survey Report - Geographic

30 July, 2012

Survey Report - Geographic

Company: US ROCKIES REGION PLANNING Project:

UTAH - UTM (feet), NAD27, Zone 12N

Site: UINTAH NBU 1022-2L PAD

NBU 1022-2K1CS Well: NBU 1022-2K1CS Wellbore: NBU 1022-2K1CS Design:

Local Co-ordinate Reference:

Well NBU 1022-2K1CS TVD Reference: 14' RKB + 5049' GL @ 5063.00ft

MD Reference: 14' RKB + 5049' GL @ 5063.00ft

North Reference: True

Survey Calculation Method: Minimum Curvature

Database: edmp

Project UTAH - UTM (feet), NAD27, Zone 12N

Map System: Universal Transverse Mercator (US Survey Feet)

NAD 1927 (NADCON CONUS) Geo Datum: Map Zone: Zone 12N (114 W to 108 W)

System Datum:

Mean Sea Level

Site UINTAH_NBU 1022-2L PAD

Site Position: Northing: 14,521,421.58 usft Latitude: 39.976443 2,084,945.63 usft From: Lat/Long Easting: Longitude: -109,413308 0.00 ft **Position Uncertainty:** Slot Radius: 13-3/16 " **Grid Convergence:** 1.02°

Well NBU 1022-2K1CS +N/-S Well Position 0.00 ft Northing: 14.521.451.40 usft Latitude: 39.976525 0.00 ft Easting: 2.084.942.86 usft Longitude: -109.413316 +F/-W 0.00 ft Wellhead Elevation: **Ground Level: Position Uncertainty** ft 5,049.00 ft

Wellbore NBU 1022-2K1CS Magnetics **Model Name** Sample Date Declination Dip Angle Field Strength (°) (°) (nT) **IGRF2010** 3/6/2012 10.94 65.85 52,255

Design NBU 1022-2K1CS Audit Notes: **ACTUAL** Version: 1.0 Phase: Tie On Depth: 10.00 **Vertical Section:** Depth From (TVD) +N/-S +E/-W Direction (ft) (ft) (°) 0.00 0.00 10.00 84.81

Survey Program 7/30/2012 From To (ft) (ft) Survey (Wellbore) **Tool Name** Description 188.00 2,366.00 Survey #1 (NBU 1022-2K1CS) MWD MWD - STANDARD 2,443.00 8,880.00 Survey #2 (NBU 1022-2K1CS) MWD MWD - STANDARD

Measured			Vertical			Мар	Map		
Depth	Inclination	Azimuth	Depth	+N/-S	+E/-W	Northing	Easting		
(ft)	(°)	(°)	(ft)	(ft)	(ft)	(usft)	(usft)	Latitude	Longitude
10.00	0.00	0.00	10.00	0.00	0.00	14,521,451.40	2,084,942.86	39.976525	-109.413
188.00	0.00	244.47	188.00	0.00	0.00	14,521,451.40	2,084,942.86	39.976525	-109.413
274.00	1.29	77.13	273.99	0.22	0.94	14,521,451.63	2,084,943.80	39,976526	-109.413
356.00	3.02	78.52	355.93	0.85	3.96	14,521,452.32	2,084,946.80	39,976527	-109.413
446.00	4.66	81.79	445.73	1.85	9.90	14,521,453.42	2,084,952.72	39,976530	-109.413
536.00	5.98	84.78	535.34	2.79	18.19	14,521,454.51	2,084,960.99	39.976533	-109.413
626,00	6.85	84.84	624.77	3.70	28.20	14,521,455.60	2,084,970.99	39.976535	-109.413
716.00	8.18	83.03	714.00	4.96	39.91	14,521,457.07	2,084,982.67	39.976539	-109.413
806.00	9.76	82.84	802.89	6.69	53.83	14,521,459.04	2,084,996.56	39,976543	-109.413
896.00	11.70	82.23	891.32	8.88	70.44	14,521,461.52	2,085,013.13	39.976549	-109.41
986.00	12.62	83.86	979.30	11.16	89.26	14.521.464.14	2,085,031.90	39.976556	-109,412

Survey Report - Geographic

Company: US ROCKIES REGION PLANNING

Project: UTAH - UTM (feet), NAD27, Zone 12N

 Site:
 UINTAH_NBU 1022-2L PAD

 Well:
 NBU 1022-2K1CS

Wellbore: NBU 1022-2K1CS
Design: NBU 1022-2K1CS

Local Co-ordinate Reference:

TVD Reference: 14' RKB + 5049' GL @ 5063.00ft **MD Reference:** 14' RKB + 5049' GL @ 5063.00ft

Well NBU 1022-2K1CS

North Reference: True

Survey Calculation Method: Minimum Curvature

Database: edmp

ey .			1868 465 769			78.35.05.540			
leasured			Vertical			Мар	Мар		
Depth	Inclination	Azimuth	Depth	+N/-S	+E/-W	Northing	Easting		
(ft)	(7)	(°)	(ft)	(ft)	(ft)	(usft)	(ueft)	Latitude	Longitude
1,076.00	13.91	81.30	1,066.89	13.85	109.73	14,521,467.20	2,085,052.32	39.976563	-109,4129
1,166.00	15.74	82.32	1,153.89	17.12	132.52	14,521,470.87	2,085,075.05	39.976572	-109.412
1,256.00	17.67	83.72	1,240.09	20.24	158.20	14,521,474.45	2,085,100.67	39.976581	-109.4127
1,346.00	20.93	84.07	1,325.02	23.40	187.78	14,521,478.13	2,085,130.19	39.976589	-109.412
1,436.00	23.57	81.79	1,408.32	27,63	221.58	14,521,482.96	2,085,163.91	39.976601	-109.412
1,526.00	21.90	83.55	1,491.32	32.09	256.07	14,521,488.03	2,085,198.32	39.976613	-109,412
1,616.00	22.95	84.51	1,574.51	35.65	290.22	14,521,492.20	2,085,232.39	39.976623	-109.412
1,706.00	23.57	83.63	1,657.20	39.32	325.57	14,521,496.51	2,085,267.67	39.976633	-109.412
1,796.00	23.74	82.14	1,739.64	43.80	361.40	14,521,501.62	2,085,303.42	39.976645	-109.412
1,886.00	24.45	81.00	1,821.80	49.19	397.74	14,521,507.66	2,085,339.66	39.976660	-109.411
1,976.00	24.09	82.40	1,903.84	54.53	434.34	14,521,513.65	2,085,376.16	39.976675	-109.411
2,066.00	23,88	83.84	1,986.07	58.92	470.66	14,521,518.68	2,085,412,39	39.976687	-109,411
2,156.00	23.04	85.30	2,068.63	62.31	506.33	14,521,522.71	2,085,447.99	39.976696	-109.411
2,246.00	21.63	86.89	2,151.88	64.66	540.44	14,521,525.66	2,085,482.06	39.976703	-109.411
2,336.00	21.46	86.80	2,235.59	66.48	573.45	14,521,528.07	2,085,515.03	39.976708	-109.411
2,366.00	21.37	86.09	2,263.52	67.16	584.38	14,521,528.94	2,085,525.94	39.976709	-109.411
2,443.00	21.15	83.81	2,335.28	69.61	612.18	14,521,531.89	2,085,553.70	39.976716	-109.411
2,533.00	22.11	83.40	2,418.94	73,31	645.15	14,521,536.17	2,085,586,60	39.976726	-109.411
2,624.00	21.63	84.73	2,503.39	76.82	678.87	14,521,540.28	2,085,620.25	39.976736	-109.410
2,715.00	21.56	84.86	2,588.01	79.86	712.22	14,521,543.91	2,085,653.54	39.976744	-109.410
2,805.00	22.50	85.98	2,671.43	82.54	745,87	14,521,547.20	2,085,687.14	39.976752	-109,410
2,896.00	24.00	86.86	2,755.04	84.78	781.72	14,521,550.07	2,085,722,94	39.976758	-109.410
2,987.00	24.31	88.73	2,838.08	86.21	818.92	14,521,552.16	2,085,760.12	39.976762	-109.410
3,077.00	24.50	87.61	2,920.03	87.40	856.09	14,521,554.01	2,085,797.25	39.976765	-109.410
3,168.00	23.94	84.98	3,003.03	89.80	893.34	14,521,557.08	2,085,834.45	39.976772	-109,410
3,259.00	23.63	83.86	3,086.30	93.37	929.86	14,521,561.29	2,085,870.91	39,976781	-109.409
3,349.00	23,69	83.61	3,168.73	97.31	965,76	14,521,565.87	2,085,906.73	39.976792	-109.409
3,440.00	23.50	82.86	3,252.12	101.60	1,001.93	14,521,570.81	2,085,942.82	39.976804	-109.409
3,531.00	23.50	83.86	3,335.58	105.79	1,037.98	14,521,575.64	2,085,978.78	39.976816	-109.409
3,622.00	22.31	83.36	3,419.40	109.73	1,073.17	14,521,580.21	2,086,013.90	39.976826	-109.409
3,712.00	21.19	83.23	3,502.99	113.62	1,106.29	14,521,584.69	2,086,046.95	39.976837	-109.409
3,803.00	20.69	85.11	3,587.98	116.93	1,138.64	14,521,588.57	2,086,079.24	39.976846	-109,409
3,894.00	19.88	85.23	3,673.34	119.59	1,170.08	14,521,591.79	2,086,110.62	39.976853	-109.409
3,984.00	18.81	81.98	3,758.26	122.89	1,170.30	14,521,595.61	2,086,140.18	39.976862	-109.409
4,075.00	18.31	80.86	3,844.53	127.20	1,228.34	14,521,600.44	2,086,168.73	39.976874	-109.408
4,165.00	17.13	80.36	3,930.25	131.67	1,255.36	14,521,605.38	2,086,195.68	39.976887	-109.408
4,256.00	15.44	81.98	4,017.60	135.60	1,280.57	14,521,609.77	2,086,220.81	39.976897	-109.408
4,347.00	13.31	84.48	4,105.75	138.30	1,303.00	14,521,612.86	2,086,243.18	39.976905	-109.408
4,438.00	11.81	84.48	4,194.57	140.20	1,322.70	14,521,615.12	2,086,262.84	39.976910	-109,408
4,528.00	10.19	81.11	4,282.91	142.32	1,339.73	14,521,617.53	2,086,279.84	39.976916	-109.408
4,619.00	8.88	80.23	4,202.91	144.76	1,359.73	14,521,620.23	2,086,294.67	39.976922	-109.408
4,709.00	7.06	84.98	4,461.78	146,42	1,366.96	14,521,622.12	2,086,306.99	39.976927	-109.408
			4,461.76	147.00				39,976929	-109.408
4,800.00 4,891.00	5.49	88.76	4,642.88	147.00	1,376.88	14,521,622.88	2,086,316.90 2,086,324.82	39.976931	-109.408
	4.63	76.86			1,384.81	14,521,623.95	• •		-109.408
4,981.00	2.50	97.11	4,732.70	148.52	1,390.30	14,521,624.63	2,086,330.29	39.976933	
5,072.00	1.00	91.48	4,823.66	148.25	1,393.06	14,521,624.41	2,086,333.06	39.976932	-109.408
5,163.00	0.19	171.86	4,914.65	148.08	1,393.88	14,521,624.26	2,086,333.88	39.976932	-109.408
5,253.00	0.25	158.73	5,004.65	147.75	1,393.97	14,521,623.93	2,086,333.97	39.976931	-109.408
5,344.00	0.13	127.11	5,095.65	147.50	1,394.12	14,521,623.68	2,086,334.13	39.976930	-109.408
5,434.00	0.06	165.23	5,185.65	147.39	1,394.22	14,521,623.58	2,086,334.23	39.976930	-109.408
5,525.00	0.13	116.11	5,276.65	147.30	1,394.32	14,521,623.49	2,086,334.33	39.976929	-109.408
5,616.00	0.13	157.73	5,367.65	147.16	1,394.45	14,521,623.35	2,086,334.47	39.976929	-109.408
5,706.00	0.31	152.73	5,457.65	146.85	1,394.61	14,521,623,04	2,086,334.62	39.976928	-109.408
5,797.00	0.31	165.11	5,548.65	146.39	1,394.78	14,521,622.59	2,086,334.81	39.976927	-109.408

Survey Report - Geographic

Company:

US ROCKIES REGION PLANNING

Project:

UTAH - UTM (feet), NAD27, Zone 12N

Site:

UINTAH_NBU 1022-2L PAD

Well: Wellbore: NBU 1022-2K1CS NBU 1022-2K1CS

Design:

NBU 1022-2K1CS

Local Co-ordinate Reference:

TVD Reference:

MD Reference: North Reference:

Survey Calculation Method:

Database:

Well NBU 1022-2K1CS

14' RKB + 5049' GL @ 5063.00ft

14' RKB + 5049' GL @ 5063.00ft

True

Minimum Curvature

edmp

Measured Depth (ft)	inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Map Northing (usft)	Map Easting (usft)	Latit ude	Longitude
5,978.00	0,50	171.11	5,729.64	144.99	1,395.02	14,521,621.18	2,086,335,07	39.976923	-109,4083
6,069.00	0.44	163.98	5,820.64	144.26	1,395.18	14,521,620.46	2,086,335.24	39.976921	-109.4083
6,160.00	0.56	158.73	5,911.64	143.51	1,395.44	14,521,619.71	2,086,335.51	39.976919	-109.4083
6,250.00	0.75	178.86	6,001.63	142.51	1,395.61	14,521,618.72	2,086,335.70	39.976916	-109.4083
6,341.00	1.06	176.61	6,092.62	141.07	1,395.67	14,521,617.28	2,086,335.79	39.976912	-109.4083
6,432.00	0.19	208.61	6,183.61	140.10	1,395.65	14,521,616.31	2,086,335.79	39.976910	-109,408
6,522.00	1.13	300.86	6,273.61	140.43	1,394.81	14,521,616.62	2,086,334.95	39.976911	-109.4083
6,613.00	0.88	306.13	6,364.59	141.30	1,393.48	14,521,617,47	2,086,333.60	39.976913	-109,408
6,703.00	2.44	287.48	6,454.55	142.28	1,391.09	14,521,618,41	2,086,331.19	39.976916	-109.408
6,794.00	2.13	281.48	6,545.48	143.20	1,387.59	14,521,619.26	2,086,327.67	39.976918	-109,408
6,884.00	1.81	280,48	6,635,43	143,79	1,384.55	14,521,619.80	2,086,324,63	39,976920	-109,408
6,975.00	1,63	266.11	6,726.39	143,96	1,381.85	14,521,619,93	2,086,321,92	39,976920	-109,408
7,066.00	1.56	255.11	6,817.35	143.56	1,379.36	14,521,619,48	2,086,319.44	39.976919	-109.408
7,157.00	1.38	246.48	6,908.32	142.80	1,377.16	14,521,618.68	2,086,317.25	39.976917	-109.408
7,247.00	1.38	237,98	6,998.30	141.80	1,375.24	14,521,617.64	2,086,315.36	39.976914	-109,408
7,338.00	1,31	235.48	7,089,27	140.63	1,373.46	14,521,616,44	2.086,313.59	39.976911	-109,408
7,429.00	1.31	219.86	7,180.25	139,24	1,371.93	14,521,615.02	2,086,312.09	39.976907	-109,408
7,519.00	1.31	213.98	7,270.22	137.59	1,370.70	14,521,613.36	2,086,310.89	39.976903	-109.408
7,610.00	1.25	203.48	7,361.20	135.82	1,369.72	14,521,611,57	2.086,309.94	39.976898	-109,408
7,701.00	1.25	197.61	7,452.18	133.97	1,369.03	14,521,609.70	2,086,309.28	39.976893	-109,408
7,791,00	1.44	181.73	7,542,16	131.90	1,368.70	14,521,607.63	2,086,308.99	39.976887	-109,408
7,882.00	1,50	184.36	7,633,13	129.57	1,368.57	14,521,605,30	2,086,308.90	39.976881	-109,408
7,972.00	1.50	181.23	7,723.10	127.22	1,368.46	14,521,602.94	2,086,308.83	39.976874	-109,408
8,063.00	1.63	184.11	7,814.06	124.73	1,368.34	14,521,600.46	2,086,308.75	39.976867	-109,408
8,153.00	1.75	182.61	7,904.02	122.09	1,368.18	14,521,597.81	2,086,308.65	39.976860	-109,408
8,244.00	1.94	180.23	7,994.98	119.16	1,368.11	14,521,594.88	2,086,308.63	39,976852	-109,408
8,335.00	2.06	160.73	8,085.92	116.07	1,368.65	14,521,591.80	2,086,309,22	39.976844	-109,408
8,425.00	2.00	146,61	8,175.86	113.23	1,370.05	14,521,588.99	2,086,310.67	39.976836	-109.408
8,516.00	1.88	141.86	8,266,81	110.73	1,371.84	14,521,586.52	2,086,312.51	39.976829	-109.408
8,607.00	1.69	139.61	8,357.77	108,54	1,373.63	14,521,584.36	2,086,314.34	39.976823	-109.408
8,697.00	1.69	148.23	8,447.73	106.40	1,375.19	14,521,582.25	2,086,315.93	39.976817	-109.408
8,830.00	1.69	155,60	8,580.67	102,95	1,377.03	14,521,578.83	2,086,317.84	39.976808	-109.408
LAST SV		,	-,		.,	.,	,,		
8,880.00	1.69	155,60	8,630,65	101.60	1,377,64	14,521,577.50	2.086,318.47	39.976804	-109.408

ns leasured Depth (ft)	Vertical Depth (ft)	Local Coon +N/-S (ft)	dinates +E/-W (ft)	Comment
8,830.00 8,880.00	8,580.67 8,630.65	102.95 101.60	1,377.03 1,377.64	LAST SVY PROJECTION TO TD

Checked By:	Approved By:	Date:	
•			

Operation Summary Report

Well: NBU 1022-2K1CS GREEN

Spud Date: 2/29/2012

Project: UTAH-UINTAH

Site: NBU 1022-2L PAD

Rig Name No: PROPETRO 12/12, ENSIGN 146/146

Event: DRILLING

Start Date: 12/8/2011

End Date: 4/4/2012

Active Datum: RKB @5,063.00usft (above Mean Sea

UWI: NW/SW/0/10/S/22/E/2/0/0/26/PM/S/2107/W/0/752/0/0

_evel)								
Date	s	Time tart-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From Operation (usft)
2/29/2012	0:00	- 3:00	3.00	PRPSPD	13	Α	Р	WAIT ON CEMENTERS TO FINISH, MOVE OFF WELL
	3:00	- 7:30	4.50	PRPSPD	01	В	P	PJSM, INSTALL DIVERTER HEAD AND BLOOIE LINE, BUILD DITCH, SPOT IN RIG, CATWALK AND PIPE RACKS. RIG UP PIT PUMP. RIG UP HOLE PUMP. INSPECT RIG.
	7:30	- 8:00	0.50	PRPSPD	01	В	Р	HELD PJSM. P/U 8 in 1.83 BEND .17 RPG MUD MOTOR (4th RUN) (SN 775-77248). M/U QD507 12.25 in BIT (14th RUN) (SN 7137066). P/U SHOCK SUB (4th RUN) (SN 169-80835). TRIP IN CONDUCTOR TO SPUD.
	8:00	- 9:30	1.50	DŘLSÚŘ	02	Ď	P	SPUD 02/29/2012 08:00. DRILL 12.25 in HOLE 44 ft TO 210 ft (166 ft, 111 FPH). WOB 5-15 Kips. PSI ON/OFF 600/400. UP/DOWN/ ROT 20/20/20 K. DRAG 0 Kips. CIRC RESERVE W/8.4 ppg WATER. DRILL DOWN TO 210 ft W/6 in COLLARS.
	9:30	- 10:00	0.50	DRLSUR	05	С	Р	CIRCULATE AND CONDITION WELLBORE FOR TRIP OUT OF HOLE
	10:00	- 12:00	2.00	DRLSUR	06	Α	P	PJSM, LAY DOWN 6 in DRILL COLLARS, 12 1/4 in BIT. MAKE UP Q506 11in BIT (3rd RUN) (SN 7024523) P/U 8 in DIRECTIONAL ASSEMBLY. INSTALL EM TOOL.
	12:00	- 0:00	12.00	DRLSUR	02	D	P	DRILL 11in. HOLE 210 ft TO 1430 ft, (1220 ft, 102 FPH). WOB 15-20 Kips. PSI ON/OFF 1240/1090. UP/DOWN/ ROT 66/50/57 K. DRAG 9 Kips. CIRC RESERVE PIT W/8.4 ppg WATER. NO HOLE ISSUES. SLIDING @ 30 PERCENT FOR TURN AND BUILD.
3/1/2012	0:00	- 12:00	12.00	DRLSUR	02	D	P	DRILL 11 in HOLE 1430 ft TO 2420 ft, (990 ft, 83 FPH). WOB 15-20 Kips. PSI ON/OFF 1500/1370. UP/DOWN/ ROT 80/60/70 K. DRAG 10 Kips. CIRC RESERVE PIT W. 8.4 ppg WATER. NO HOLE ISSUES. SLIDING @ 10 PERCENT FOR TURN AND BUILD. LOST RETURNS AT 1540 ft, BEGIN AERATED WATER.
		- 13:30	1.50	DRLSUR	05	С	Р	CIRCULATE AND CONDITION WELLBORE FOR TRIP OUT OF HOLE, FILL HOLE WITH WATER
	13:30	- 17:30	4.00	DRLSUR	06	A .	P	PJSM, TRIP OUT OF HOLE, LAY DOWN BOTTOM HOLE ASSEMBLY AND DIRECTIONAL TOOLS, MOTOR AND BIT. REMOVE UNRELATED-OPERATIONAL TOOLS FROM AREA.
	17:30	- 22:30	5.00	DRLSUR	12	С	Р	PJSM, MOVE PIPE RACKS AND CATWALK. PULL DIVERTER HEAD. RIG UP TO RUN CASING. RUN 54 JOINTS OF 8-5/8 in. 28# J-55 LTC CASING. LAND FLOAT SHOE @ 2396 ft KB. LAND BAFFLE PLATE @ 2350 ft KB. RAN 5 TOTAL CENTRALIZERS. LAND CASING WHILE RIGGING UP CEMENTERS. RAN 200 ft OF 1 lin. PIPE DOWN BACK-SIDE. CASING. (DERRICK DOWN AT 22:00 3/1/2012)

Operation Summary Report

Well: NBU 1022-2K1CS GREEN		Spud Date: 2/29/2012
Project: UTAH-UINTAH	Site: NBU 1022-2L PAD	Rig Name No: PROPETRO 12/12, ENSIGN 146/146
Event: DRILLING	Start Date: 12/8/2011	End Date: 4/4/2012

UWI: NW/SW/0/10/S/22/E/2/0/0/26/PM/S/2107/W/0/752/0/0

vel)	RKB @5,063.00usft (
Date	Time	Duration	Phase	Code	Sub	P/U	MD From	Operation
	22:30 - 23:30	(hr) 1.00	DRLSUR	12	Code E	Р	140 BBI	SM, PRESSURE TEST LINES TO 1500 PSI. PUMP BBLS OF WATER AHEAD. MIX AND PUMP 20 LS OF 8.3# GEL WATER AHEAD. MIX AND PUMP
							PRI FLY THI BBI LAN	0 sx) 61.4 BBLS OF 15.8# 1.15 YIELD 5 GAL/SK EMIUM CEMENT W/ 4% CALC. DROP PLUG ON Y. DISPLACE W/147 BBLS OF H2O. NO RETURNS ROUGH OUT JOB. FINAL LIFT OF 220 PSI AT 3 L/MIN. BUMP PLUG AT DISPLACEMENT VOLUME. ND THE PLUG WITH 520 PSI. SHUT DOWN HELD D PSI FOR 5 MIN. TESTED FLOAT AND FLOAT LD.
	23:30 - 0:00	0.50	DRLSUR	12	Е	P	bbls Sui Cei Sai Rig At	SM, CEMENT DOWN BACKSIDE w/150 sx (30.7 s.) SAME TAIL CEMENT WITHOUT RETURNS TO RFACE, WAIT ON CEMENT, THEN TOP OUT MENT DOWN BACKSIDE w/225sx (46 bbis) ME TAIL CEMENT WITH CEMENT TO SURFACE. B DOWN CEMENTERS. (CEMENT JOB FINISHED 01:00 3/2/2012) RELEASE RIG AT 00:00 /2012.
3/30/2012	11:00 - 12:00	1.00	MIRU	01	С	P	SKI	IDE RIG 10'
	12:00 - 13:00	1.00	DRLPRO	14	Α	P	NIP	PPLE UP BOPE
	13:00 - 16:30	3.50	DRLPRO	15	Α	Р	VAL	ST BOPE, RAMS, CHOKE, CHOKE LINE, MANUAL LVES, FLOOR VALVES, HCR & IBOP 250 LOW 00 HIGH, ANNULAR 250 LOW 2500 HIGH, CASING 00
	16:30 - 17:00	0.50	DRLPRO	14	В	P	SE	T WEARBUSHING
	17:00 - 18:00	1.00	DRLPRO	09	Α	Р	SLI	P & CUT DRILL LINE
	18:00 - 20:30	2.50	DRLPRO	08	Α .	X	RUI BLC	PAIR DRAWWORKS - UNABLE TO START AND N DRAWWORKS - TROUBLESHOOT AND FOUND DWN FUSE IN RECTIFIER #1
	20:30 - 21:30	1.00	DRLPRO	09	Α	Р	FIN	IISH SLIP & CUT DRILL LINE
	21:30 - 0:00	2.50	DRLPRO	06	A	P	MO SCI	IP SECURITY FX65 #728819, HUNTING MUD PTOR 1.83 deg .21 RPG, RIH DIRECTIONAL TOOLS RIBE & ORIENT, RIH TAG CEMENT @ 2290'
3/31/2012	0:00 - 0:30	0.50	DRLPRO	07	В	Р	CEI HE	NTER & LEVEL DERICK, INSTALL ROTATING AD
	0:30 - 1:30	1.00	DRLPRO	02	F	P	243 WC RPI MM	ILL CEMENT, FLOAT & RATHOLE F/2290' TO 80' 0B 5/10 M 30 I RPM 98 M 470
	1:30 - 9:00	7.50	DRLPRO	02	D	Р	MW WC RPI MN TQ SPI PSI PU SLI RO	ILL/SLIDE F/2430' TO 3406' (976' @ 130fph) V8.5 VIS 27 DB 20 M 45 I RPM 115 6/8 M 112 GPM 550 I OFF/ON 1500/1875 DIFF 300/375 138, SO 117, ROT 115 IDE 270'/2.5 hrs 30%
								V - ON LINE DEWATERING
							15'	HIGH & 6' RIGHT OF LINE

Well: NBU 1022	2-2K1CS G	REEN						Spud Date: 2/29/2012
Project: UTAH-	UINTAH			Site: NBL	J 1022-2L	PAD		Rig Name No: PROPETRO 12/12, ENSIGN 146/146
Event: DRILLIN	G			Start Dat	e: 12/8/20)11		End Date: 4/4/2012
Active Datum: F .evel)	RKB @5,06	33.00usft (at	oove Mean S	iea	UWI: N	N/SW/0/1	0/S/22/E	/2/0/0/26/PM/S/2107/W/0/752/0/0
Date		Fime art-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From Operation (usft)
	9:00	- 9:30	0.50	DRLPRO	07	Α	Р	RIG SER
4/1/2012	9:30 0:00	- 9:00	9.00	DRLPRO	02	D	P	DRILL/SLIDE F/3406' TO 5350' (1944' @ 134fph) MW 8.5 VIS 27 WOB 20 RPM 45 MM RPM 115 TQ 6/8 SPM 112 GPM 550 PSI OFF/ON 2025/2400 DIFF 300/375 PU 167, SO 135, ROT 145 SLIDE 243'/3 hrs 20% ROT 1701'/11.5 hrs 80% NOV - ON LINE DEWATERING 21' NORTH & 5' WEST OF CENTER DRILL/SLIDE F/5350' TO 6482' (1132' @ 125fph) MW 8.5 VIS 27 WOB 20 RPM 45 MM RPM 115 TQ 8/10 SPM 112 GPM 550 PSI OFF/ON 2120/2480 DIFF 300/375 PU 202, SO 145, ROT 165 SLIDE 0% ROT 100% NOV - ON LINE DEWATERING
	9:00	- 9:30	0.50	DRLPRO	07	Α	P	15' NORTH & 5' EAST OF CENTER RIG SER
		- 0:00	14.50	DRLPRO	02	D	P	DRILL/SLIDE F/6482' TO 7895' (1413' @ 97fph) MW 8.5/11.8 VIS 27/38 WOB 20/22 RPM 35/45 MM RPM 102/115 TQ 8/12 SPM 112/100 GPM 550/490 PSI OFF/ON 2490/2850 DIFF 400 PU 220, SO 165, ROT 180 SLIDE 42'/2 hrs 13% ROT 1371'/12.5 hrs 87% NOV - ON LINE DEWATERING/ OFFLINE @ 7479' 5' SOUTH & 20' WEST OF CENTER WENT TO 35 RPM & 490 GPM @ 6700' (TOP OF MESAVERDE)

8:23:12AM 7/31/2012

MUD UP SYSTEM @ 7479'

Operation Summary Report

Well: NBU 1022	-2K1CS	GREEN						Spud Date: 2/29/2012
Project: UTAH-U	HATMIL			Site: NBU	1022-21	_ PAD		Rig Name No: PROPETRO 12/12, ENSIGN 146/146
Event: DRILLIN	G			Start Date	e: 12/8/20	011		End Date: 4/4/2012
Active Datum: F	KB @5,0)63.00usft (ab	ove Mean S		T		10/S/22/E/2	0/0/26/PM/S/2107/W/0/752/0/0
Level)								
Date		Time lart-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From Operation (usft)
4/2/2012	0:00	- 15:30	15.50	DRLPRO	02	D	Р	DRILL/SLIDE F/7895' TO 8656' (761' @ 49fph) MW 12.2 VIS 38 WOB 22/24 RPM 35 MM RPM 98 TQ 10/13 SPM 96 GPM 470 PSI OFF/ON 2850/3125 DIFF 275 PU 240, SO 163, ROT 185 SLIDE 41/3.3 hrs 21% ROT 720/12.2 hrs 79% NOV - OFFLINE
	45.00						_	17' SOUTH & 14' WEST OF CENTER 3/5' FLARE @ 8600', 10 MIN
		- 16:00 - 20:00	0.50 4.00	DRLPRO DRLPRO	07 02	A D	P P	RIG SER DRILL/SLIDE F/8656' TO 8880' (224 @ 56fph)
	20:00	- 21:30	1.50	DRLPRO	05	c	P	MW 12.4 VIS 38 WOB 22/24 RPM 35 MM RPM 98 TQ 10/13 SPM 96 GPM 470 PSI OFF/ON 2850/3125 DIFF 275 PU 240, SO 165, ROT 187 SLIDE 0% ROT 100% NOV - OFFLINE 24.46' SOUTH & 10.83' WEST OF CENTER NO FLARE'S CIRC - SEEPING MUD PUMPED LCM SWEEP TO
		- 0:00						MINIMIZE - LOST 60 BBLS
			2.50	DRLPRO	06	D	P	TRIP OUT FOR PROD CASING, BACKREAM F/8880' TO 6800' AT MIDNIGHT
4/3/2012	0:00	- 9:30	9.50	DRLPRO	06	D	P	BACKREAM F/6800' TO 3499' - UNABLE TO TRIP OUT WITHOUT BACKREAMING, OVERPULL EXCEEDING 100K, LOST OVERPULL @ 3499' CONTINUE TRIP OUT TO SURFACE WITHOUT PROBLEMS, OBSERVED NO FORMATION PACKED ON BHA - L/DN MUD MOTOR & BIT - LOST 275 BBLS MUD ON TRIP
	9:30	- 19:30	10.00	DRLPRO	12	C	Р	PRE-JOB SAFETY MEETING, R/UP FRANKS & RUN 208 JTS 4.5" 11.60 I-80 LTC/DQX CASING, FLOAT SHOE 8864', FLOAT COLLAR 8819', MESA MKR 6647', XOVER 5020' - WASH THRU TIGHT SPOT 3890', WORKED THRU TIGHT SPOT @ 7185' - WASHED F/8849' TO 8864' (2 BAD JOINTS OF DQX CASING ON RUN)
	19:30	- 20:30	1.00	DRLPRO	05	D	Р	CIRC - 20' FLARE / 30 MIN

						KIES RI Summa	EGION ry Report	
Well: NBU 102	2-2K1CS GREEN	i ji <u></u>	and property of the testing of the t	ئىنل <u>ەردىنىنى بىد</u> دىن			Spud Date: 2/29	9/2012
Project: UTAH-	UINTAH		Site: NBU	J 1022-2L	. PAD			Rig Name No: PROPETRO 12/12, ENSIGN 146/146
Event: DRILLIN	IG		Start Date	e: 12/8/20)11			End Date: 4/4/2012
Active Datum: F Level)	RKB @5,063.00usft (a	bove Mean Se	ea	UWI: N\	W/SW/0/1	0/S/22/E/	2/0/0/26/PM/S/21	07/W/0/752/0/0
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	20:30 - 23:30	3.00	DRLPRO	12	Ē	Р		HPJSM, R/UP BJ & CEMENT 4.5" PROD CASING, TEST LINES 5000 PSI, DROPPED BOTTOM PLUG, PUMP 5 BBLS FRESH WATER, 40 BBLS SEAL BOND WEIGHTED SPACER @ 12.5 ppg, 529 SKS LEAD 13.0 PPG 1.77 YIELD, TAIL 955 SKS 14.3 PPG, 1.31 YIELD, DROPPED TOP PLUG & DISPLACED W/137 BBLS FRESH WATER W/0.1 gal/bbl CLAYFIX II & 0.01 gal/bbl ALDACIDE G @ 2400 PSI, BUMPED PLUG @ 3150 PSI - FLOATS HELD W/1.5 BBLS RETURN, GOOD RETURNS DURING CMT JOB W/5 BBLS LEAD CEMENT TO SURFACE - R/DN BJ
4/4/2012	23:30 - 0:00 0:00 - 1:30	0.50	DRLPRO	14 14	A	P P		N/DN BOPE PREPARE TO RETRIEVE WEARBUSHING & SET SLIPS N/DN BOPE, RAISE BOP RETRIEVE WEARBUSHING,
					waita Walio			SET C-22 SLIPS WITH 95 K STRING WT - RELEASE RIG @ 01:30 hrs

1 General

1.1 Customer Information

Company	US ROCKIES REGION
Representative	
Address	

1.2 Well/Wellbore Information

Well	NBU 1022-2K1CS GREEN	Wellbore No.	OH	
Well Name	NBU 1022-2K1CS	Wellbore Name	NBU 1022-2K1CS	
Report No.	1	Report Date	5/31/2012	
Project	UTAH-UINTAH	Site	NBU 1022-2L PAD	
Rig Name/No.		Event	COMPLETION	
Start Date	5/31/2012	End Date	6/20/2012	
Spud Date	2/29/2012	Active Datum	RKB @5,063.00usft (above Mean Sea Level)	
UWI	NW/SW/0/10/S/22/E/2/0/0/26/PM/S/2107/W/0/75	2/0/0		

1.3 General

Contractor	1	ob Method	Supervisor	
Perforated Assembly	Co	onveyed Method		

1.4 Initial Conditions

1.5 Summary

Fluid Type		Fiuld Density	Gross Interval	6,838.0 (usft)-8,636.0 (usft	Start Date/Time	6/8/2012 12:00AM
Surface Press	, , , , , , , , , , , , , , , , , , , ,	Estimate Res Press	No. of Intervals	42	End Date/Time	6/8/2012 12:00AM
TVD Fluid Top		Fluid Head	Total Shots	201	Net Perforation Interval	63.00 (usft)
Hydrostatic Press		Press Difference	Avg Shot Density	3.19 (shot/ft)	Final Surface Pressure	
Balance Cond	NEUTRAL				Final Press Date	

2 Intervals

2.1 Perforated Interval

Date Formation/ Reservoir	CCL@ (usft)	CCL-T MD Top II S (usft)		Shot Density (shot/ft)	Misfires/ Diamete Add. Shot r (in)	Carr Type /Stage No	Carr Size (in)	Phasing (°)	Charge Desc /Charge Manufacturer	Charge Reason Weight (gram)	Misrun
6/8/2012 MESAVERDE/	!	6,838.0	6,839.0	2.00	0.360	EXP/	3.375	180.00		23.00 PRODUCTION)
12:00AM				,			4			N	

2.1 Perforated Interval (Continued)

Date	Formation/ Reservoir	CCL@ (usft)	CCL-T S (usft)	MD Top (usft)	MD Base (usft)	Shot Density (shot/ft)	Misfires/ Add, Shot	Diamete f (in)	Carr Type /Stage No	Carr Size (in)	Phasing (°)	Charge Desc/Charge : Manufacturer	Charge Weight (gram)	Reason	Misrun
6/8/2012 12:00AM	MESAVERDE/	<u> </u>	1 3 (43/1)	6,867.0	6,868.0	2.00		0.360	EXP/	3.375	180.00	er i C. G. a i gregorit W.W. i dital graff, ge r gr. 190 0		PRODUCTIO N	100
6/8/2012	MESAVERDE/	F**		6,902.0	6,904.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
12:00AM 6/8/2012	MESAVERDE/			6,944.0	6,946.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO	
12:00AM 6/8/2012	MESAVERDE/			6,986.0	6,988.0	3.00		0.360	EXP/	3.375	120.00		23.00	N PRODUCTIO	
12:00AM 6/8/2012	MESAVERDE/		:	7,046.0	7,047.0	3.00		0.360	EXP/	3.375	120.00	e e e e e e e e e e e e e e e e e e e	23.00	N PRODUCTIO	
12:00AM 6/8/2012	MESAVERDE/	,	g	7,077.0	7,079.0	4.00		0.360	EXP/	3.375	90.00		23.00	N PRODUCTIO	
12:00AM 6/8/2012	MESAVERDE/		1	7,104.0	7,107.0	4.00		0.360	EXP/	3.375	90.00		23.00	N PRODUCTIO	
12:00AM 6/8/2012	MESAVERDE/		more of	7,186.0	7,187.0	3.00		0.360	EXP/	3.375	120.00		23.00	N PRODUCTIO	 !
12:00AM 6/8/2012	MESAVERDE/			7,270.0	7,272.0	3.00		0.360	EXP/	3.375	120.00		23.00	N PRODUCTIO N	
12:00AM 6/8/2012 12:00AM	MESAVERDE/			7,307.0	7,309.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/	1	1	7,389.0	7,390.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/	1		7,728.0	7,729.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/			7,796.0	7,797.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	· :
6/8/2012 12:00AM	MESAVERDE/			7,805.0	7,806.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO	
6/8/2012 12:00AM	MESAVERDE/			7,828.0	7,829.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO	
6/8/2012 12:00AM	MESAVERDE/	v		7,847.0	7,849.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO	1
6/8/2012 12:00AM	MESAVERDE/			7,876.0	7,878.0	3.00	*	0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/			7,992.0	7,993.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	:
6/8/2012 12:00AM	MESAVERDE/	1		8,038.0	8,039.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO	
6/8/2012 12:00AM	MESAVERDE/			8,059.0	8,060.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/		: : : :	8,075.0	8,076.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	

2.1 Perforated Interval (Continued)

Date	Formation/	CCL@	CCL-T	MD Top		Shot		mete	Carr Type /Stage No	Carr	Phasing	Charge Desc /Charge Manufacturer	Charge Reason	Misrun
	Reservoir	(usft)	S (usft)	(usft)	(usft)	Density (shot/ft)		r in)		Size (in)	0	Manufacturer	Weight (gram)	
6/8/2012 12:00AM	MESAVERDE/		, (doily	8,103.0	8,105.0	3.00		0.360	EXP/	3.375	120.00	<u>s (No. 27 - 1) i i i i i i i i i i i i i i i i i i </u>	23.00 PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/			8,129.0	8,130.0	3.00		0.360	EXP/	3.375	120.00		23.00 PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/			8,176.0	8,178.0	3.00		0.360	EXP/	3.375	120.00		23.00 PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/		i	8,190.0	8,192.0	3.00		0.360	EXP/	3.375	120.00		23.00 PRODUCTIO N	:
6/8/2012 12:00AM	MESAVERDE/			8,201.0	8,202.0	3.00	· · · · · · · · · · · · · · · · · · ·	0.360	EXP/	3.375	120.00		23.00 PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/			8,223.0	8,224.0	3.00		0.360	EXP/	3.375	120.00		23.00 PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/			8,261.0	8,262.0	4.00	-	0.360	EXP/	3.375	90.00		23.00 PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/			8,294.0	8,295.0	3.00		0.360	EXP/	3.375	120.00		23.00 PRODUCTIO N	:
6/8/2012 12:00AM	MESAVERDE/		:	8,332.0	8,333.0	3.00		0.360	EXP/	3.375	120.00		23.00 PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/			8,354.0	8,356.0	3.00		0.360	EXP/	3.375	120.00		23.00 PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/			8,372.0	8,373.0	4.00	:	0.360	EXP/	3.375	90.00		23.00 PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/			8,384.0	8,385.0	4.00	1	0.360	EXP/	3.375	90.00		23.00 PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/			8,402.0	8,403.0	4.00		0.360	EXP/	3.375	90.00		23.00 PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/		:	8,450.0	8,452.0	3.00		0.360	EXP/	3.375	120.00		23.00 PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/			8,476.0	8,479.0	3.00		0.360	EXP/	3.375	120.00		23.00 PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/			8,501.0	8,503.0	3.00		0.360	EXP/	3.375	120.00		23.00 PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/			8,548.0	8,551.0	3.00		0.360	EXP/	3.375			23.00 PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/			8,580.0	8,581.0			0.360	EXP/	3.375			23.00 PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/		1	8,601.0	8,602.0	3.00		0.360	EXP/	3.375	120.00		23.00 PRODUCTIO N	
6/8/2012 12:00AM	MESAVERDE/	1	·	8,634.0	8,636.0	4.00		0.360	EXP/	3.375	90.00		23.00 PRODUCTIO N	

3 Plots

Operation Summary Report

Well: NBU 1022-2K1CS GREEN Spud Date: 2/29/2012

Project: UTAH-UINTAH Site: NBU 1022-2L PAD Rig Name No: MILES 3/3

Event: COMPLETION End Date: 6/20/2012 Start Date: 5/31/2012

UWI: NW/SW/0/10/S/22/E/2/0/0/26/PM/S/2107/W/0/752/0/0 Active Datum: RKB @5,063.00usft (above Mean Sea

Level)	

Date		Time art-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From Operation (usft)
2/29/2012		-						
5/31/2012	8:15	- 8:30	0.25	SURFPR	48		P	HSM & JSA W/B & C QUICK TEST
	11:38	- 12:47	1.15	SURFPR	33	С	Р	WHP 0 PSI. FILL SURFACE CSG. MIRU B&C QUICK TEST.
								PSI TEST T/ 1025 PSI. HELD FOR 15 MIN LOST 13 PSI.
								PSI TEST T/ 3543 PSI. HELD FOR 15 MIN LOST 43 PSI.
								1ST PSI TEST T/ 7012 PSI. HELD FOR 30 MIN LOST 105 PSI.
								NO COMMUNICATION OR MIGRATION WITH
								SURFACE CSG. BLEED OFF PSI. MOVE T/ NEXT WELL. SWI
6/8/2012	7:00	- 12:00	5.00	COMP	37		P	PERF STG 1)PU 3 1/8 EXP GUN, 23 GM, .36 HOLE
								SIZE. 90 DEG PHASING. RIH PERF AS PER PERF DESIGN. POOH. SWIFW

7/31/2012 8:44:54AM

Operation Summary Report

Well: NBU 1022-2K1CS GREEN	operate Management Company to the analysis of the company of the c	Spud Date: 2/29/2012
Project: UTAH-UINTAH	Site: NBU 1022-2L PAD	Rig Name No: MILES 3/3
Event: COMPLETION	Start Date: 5/31/2012	End Date: 6/20/2012
Active Datum: RKB @5,063.00usft (above Mear		2/0/0/26/PM/S/2107/W/0/752/0/0
Level)		
Active Datum: RKB @5,063.00usft (above Mear	Sea UWI: NW/SW/0/10/S/22/E/	
		CBP @ 8433' P/U PERF AS PER PERF DESIGN. POOH. X-OVER FOR FRAC CREW FRAC STG 3)WHP 2046 PSI, BRK 3109 PSI @ 4.6 BPM. ISIP 2023 PSI, FG .68. CALC HOLES OPEN @ 52.3 BPM @ 4491 PSI = 100% HOLES OPEN. (24/24 HOLES OPEN) ISIP 2822 PSI, FG .78, NPI 799 PSI. MP 60620 PSI, MR 53.5 BPM, AP 5015 PSI, AR 52.5 BPM PUMPED 30/50 OTTAWA SAND IN THIS STAGE X-OVER FOR W L PERF STG 4)PU 4 1/2 8K HAL CBP & 3 1/8 EXP GUN, 23 GM, .36 HOLE SIZE. 90 DEG PHASING. RIH SET CBP @ 8282' P/U PERF AS PER PERF DESIGN. POOH. X-OVER FOR FRAC CREW FRAC STG 4)WHP 2020 PSI, BRK 3372 PSI @ 4.6 BPM. ISIP 2513 PSI, FG .74 CALC HOLES OPEN @ 52.6 BPM @ 5000 PSI = 100% HOLES OPEN @ 52.6 BPM @ 5000 PSI. ISIP 2623 PSI, FG .53.3, NPI 110 PSI. MP 5996 PSI, MR 53.3 BPM, AP 5144 PSI, AR 51.9 BPM PUMPED 30/50 OTTAWA SAND IN THIS STAGE, SWIFN

7/31/2012 8:44:54AM

Operation Summary Report

Well: NBU 1022	-2K1CS GR	EEN						Spud Date: 2/29/2012		
Project: UTAH-UINTAH Site: NBI Event: COMPLETION Start Dat						PAD		Rig Name No: MILES 3	Rig Name No: MILES 3/3	
)12		End Date: 6/20/2012	End Date: 6/20/2012	
Active Datum: R .evel)	KB @5,063	.00usft (ab	ove Mean S	ea	UWI: NW/SW/0/10/S/22/E/2/0/0/26/PM/S/2107/W/0/752/0/0					
Date	Tir Start	ne -End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation	
6/12/2012		18:00	11.25	COMP	36	В	P	PERF STG 5)PU 4 1/2 8I 23 GM, .36 HOLE SIZE. CBP @ 8160' P/U PERF POOH. X-OVER FOR FF FRAC STG 5)WHP 1722 BPM. ISIP 2125 PSI, FG CALC HOLES OPEN @ 100% HOLES OPEN. (24 ISIP 2732 PSI, FG .78, N MP 5547 PSI, MR 52.7 B BPM PUMPED 30/50 OTTAW X-OVER FOR W L PERF STG 6)PU 4 1/2 8I 23 GM, .36 HOLE SIZE. CBP @ 7908' P/U PERF POOH. X-OVER FOR FF FRAC STG 6)WHP 1530 BPM. ISIP 1761 PSI, FG CALC HOLES OPEN @ 100% HOLES OPEN @ 100% HOLES OPEN. (24 ISIP 1931 PSI, FG .69, N MP 4557 PSI, MR 52.5 B BPM	AC CREW PSI, BRK 3405 PSI @ 4.6 .70. 51.8 BPM @ 4945 PSI = /24 HOLES OPEN) PI 613 PSI. PM, AP 4711 PSI, AR 50.8 A SAND IN THIS STAGE (HAL CBP & 3 1/8 EXP GUN, DO DEG PHASING, RIH SET AS PER PERF DESIGN. AC CREW PSI, BRK 2528 PSI @ 4.6 .66. 50.1 BPM @ 3730 PSI = //24 HOLES OPEN)	
								PERF STG 7)PU 4 1/2 8	(HAL CBP & 3 1/8 EXP GUN, 90 DEG PHASING. RIH SET AS PER PERF DESIGN.	
6/13/2012	6:30 -	6:45	0,25	COMP	48		Р	HELD SAFETY MEETING LOCATION	G: RD & MOVING OFF	

Operation Summary Report

Well: NBU 1022	-2K1CS GREEN	I			. — -			Spud Date: 2/2	9/2012			
Project: UTAH-UINTAH Site: NB						. PAD			Rig Name No: MILES 3/3			
Event: COMPLETION Start Date						012		······································	End Date: 6/20/2012			
Active Datum: RKB @5,063.00usft (above Mean Sea							10/S/22/E/	2/0/0/26/PM/S/2				
Level)		`				The second secon						
Date	Time Start-End	i	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation			
	6:45 - 15:	00	8,25	COMP	36	В	Р		FRAC STG 7)WHP 1252 PSI, BRK 3378 PSI @ 5.1			
									BPM. ISIP 1719 PSI, FG .67			
									CALC HOLES OPEN @ 51.4 BPM @ 4175 PSI =			
									100% HOLES OPEN. (21/21 HOLES OPEN) ISIP 2372 PSI, FG .76, NPI 653 PSI.			
									MP 5151 PSI, MR 52.5 BPM, AP 4057 PSI, AR 51.4 BPM			
									PUMPED 30/50 OTTAWA SAND IN THIS STAGE X-OVER FOR W L			
									PERF STG 8)PU 4 1/2 8K HAL CBP & 3 1/8 EXP GUN,			
									23 GM, .36 HOLE SIZE. 90 DEG PHASING. RIH SET CBP @ 7137' P/U PERF AS PER PERF DESIGN.			
									POOH. X-OVER FOR FRAC CREW			
									FRAC STG 8)WHP 733 PSI, BRK 4440 PSI @ 5.1 BPM. ISIP 1875 PSI, FG .70			
									CALC HOLES OPEN @ 52.9 BPM @ 4180 PSI =			
									100% HOLES OPEN. (24/24 HOLES OPEN)			
									ISIP 2363 PSI, FG .77, NPI 488 PSI.			
									MP 5096 PSI, MR 51.8 BPM, AP 4358 PSI, AR 51.4			
									BPM PUMPED 30/50 OTTAWA SAND IN THIS STAGE			
									X-OVER FOR W.L			
									PERF STG 9)PU 4 1/2 8K HAL CBP & 3 1/8 EXP GUN, 23 GM, .36 HOLE SIZE. 90 DEG PHASING. RIH SET CBP @ 7,018' P/U PERF AS PER PERF DESIGN. POOH. X-OVER FOR FRAC CREW			
									FRAC STG 9)WHP 410 PSI, BRK 2187 PSI @ 5.7			
									BPM. ISIP 1173 PSI, FG .61.			
									CALC HOLES OPEN @ 51.6 BPM @ 3289 PSI = 100% HOLES OPEN. (22/22 HOLES OPEN)			
									ISIP 2089 PSI, FG .74, NPI 916 PSI.			
									MP 4152 PSI, MR 52.4 BPM, AP 3675 PSI, AR 51.9			
									BPM PUMPED 30/50 OTTAWA SAND IN THIS STAGE			
									X-OVER FOR W L			
									PU 4 1/2 8K HAL CBP, RIH SET CBP @ 6,788, POOH. SWI			
									TOTAL SAND= 166,490 # 30/50 OTTAWA TOTAL CLFL= 8,395 BBLS			
6/19/2012	12:00 - 13:	00	1.00	COMP	30	Α	P		MOVE OVER FROM 1022-2K4BS, RUSU. ND WH. NU BOP, RU FLOOR AND TBG EQUIP, SPOT TBG.			
	13:00 - 17:	30	4.50	COMP	31	i	P		MU 3-7/8" BIT, POBS, AND 1.87" XN. RIH AS MEAS			
									AND PU 2-3/8" L-80 TBG, TAG SAND AT 6773', RU DRLG EQUIP, FILL TBG AND PRES TEST BOP TO			
									3000#.			
6/20/2012	6:30 - 6:4	45	0,25	COMP	48		P		JSA- D/O PLUGS. LD TBG.			

7/31/2012

Operation Summary Report

/ell: NBU 1022	-2K1CS GREEN							Spud Date: 2/2	9/2012		
roject: UTAH-l	JINTAH		Site: NBU	1022-2L	. PAD			Rig Name No: MILES 3/3			
Event: COMPLETION Sta					: 5/31/20	12			End Date: 6/20/2012		
ctive Datum: R evel)	KB @5,063.00us	oft (above	e Mean Se	a	UWI: N	N/SW/0/1	0/S/22/E/	/2/0/0/26/PM/S/21	6/PM/S/2107/W/0/752/0/0		
Date	Time Start-End	Circles 1 1 1 1	uration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Op	eration	
	6:45 - 12:0	00	5,25	COMP	44	С	P		TROUBLES W/ WT INDICA EST CIRC. D/O 9 PLUGS.	TOR. ORDER NEW ONE.	
									#1- C/O 15' SAND TO CBP 0# INC, LOST CIRC, RIH.	AT 6788', D/O IN 2 MIN.	
									#2- C/O 35' SAND TO CBP 0# INC. 0# FCP. RIH.	AT 7018'. D/O IN 1 MIN.	
									#3- C/O 25' SAND TO CBP 200# INC. 0# FCP. RIH.		
									#4- C/O 25' SAND TO CBP 500# INC. 0-900# FCP. RIH #5- C/O 30' SAND TO CBP		
									600# INC. 300-700# FCP. F #6- C/O 25' SAND TO CBP	NH.	
									400# INC. 500-700# FCP. F #7- C/O 25' SAND TO CBP	AT 8282'. D/O IN 3 MIN.	
									700# INC. 600-500# FCP. F #8- C/O 30' SAND TO CBP 400# INC. 500-1000# FCP.	AT 8433'. D/O IN 3 MIN.	
									#9- C/O 20' SAND TO CBP 500# INC. 600-800# FCP. F	AT 8533'. D/O IN 4 MIN.	
									PBTD AT 8820', BTM PERF W/ 276-JTS IN (114' RATHO		
									RD PWR SWIVEL, POOH A		
									EOT AT 8414.39', RD FLOO		
									HOOK UP LINES. POBS AT TO 3000#. SITP 500. SICP FBC AND SALES.	T 1600#. PRES TEST LINES 2200. TURN OVER TO	
									TBG DETAIL KB	14.00	
									4" 10K HANGER 269-JTS 2-3/8" L-80	.83 8397.36	
									1.87" XN POBS	2.20	
									EOT	8414.39	
									283-JTS DELIVERED, 18-J TLTR 8395. TLRT 1000. LL		
	12:00 - 12:0	00	0.00	COMP	50				WELL TURNED TO SALES - 1800 MCFD, 1920 BWPD, 20/64" CK	@ 1200 HR ON 6/20/2012	
6/24/2012	7:00 -				50				WELL IP'D ON 6/24/12 - 32 BWPD, CP 2132#, FTP 175 HRS	· ·	